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OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, &
HOMELESSNESS
ON
HOUSE BILL NO. 2058

February 15, 2022
9:00 a.m.
Room 329 and Videoconference

**RELATING TO THE WAIANAE COAST COMPREHENSIVE HEALTH CENTER
EMERGENCY DEPARTMENT**

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 2058 appropriates \$1,400,000 in general funds in FY 23 to the Waianae Coast Comprehensive Health Center, through the Department of Health, for operation of its 24-hour emergency department.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

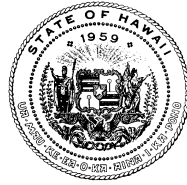
- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony COMMENTING on H.B. 2058
RELATING TO WAIANAE COAST COMPREHENSIVE HEALTH CENTER
EMERGENCY ROOM.**

REPRESENTATIVE RYAN I. YAMANE, CHAIR
HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS

Hearing Date: February 15, 2022

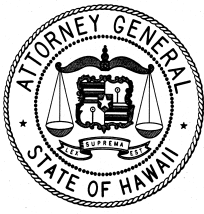
Room Number: 329

Via Videoconference

1 **Fiscal Implications:** The proposed measure appropriates funds out of the general revenues of
2 the State for fiscal year 2022-2023 to the Waianae Coast Comprehensive Health Center
3 (WCCHC) for operating costs for its twenty-four-hour emergency department services. The
4 Department requests that passage of any appropriations in this measure does not replace or
5 adversely impact priorities in the Executive Budget request.

6 **Department Testimony:** Pursuant to §245-15(6)(C), Hawaii Revised Statutes (HRS), a portion
7 of the cigarette tax revenues are deposited into the Community Health Center Special Fund (HRS
8 §321-1.65) and the Department administers those funds. The Community Health Centers Special
9 Fund currently funds: 1) Purchase of Services (POS) contracts with 13 Federally Qualified
10 Health Centers (FQHC)—including WCCHC—and one Federally Qualified Health Center Look-
11 Alike to provide medical (perinatal, pediatric, adult primary care) and support services,
12 behavioral health care, dental treatment, and pharmaceutical services to uninsured and under-
13 insured individuals that are at or below 250% of the federal poverty level; 2) A single POS
14 contract with Hana Health for the provision of comprehensive primary care services and urgent
15 care (24/7) services; and 3) An additional POS contract with WCCHC to provide emergency
16 department services, diagnostic laboratory and radiology services, as well as other services
17 related to the provision of emergency department services at their facility between the hours of
18 12:00a.m. and 8:00a.m., 365 days a year.

19 Thank you for the opportunity to testify on this bill.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTY-FIRST LEGISLATURE, 2022**

ON THE FOLLOWING MEASURE:

H.B. NO. 2058, RELATING TO THE WAIANAE COAST COMPREHENSIVE HEALTH CENTER EMERGENCY DEPARTMENT.

BEFORE THE:

HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, AND HOMELESSNESS

DATE: Tuesday, February 15, 2022 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 329, Via Videoconference

TESTIFIER(S): Holly T. Shikada, Attorney General, or
Angela A. Tokuda, Deputy Attorney General

Chair Yamane and Members of the Committee:

The Department of the Attorney General provides the following comments.

This bill proposes to appropriate \$1,400,000 for fiscal year 2022-2023 to the Department of Health to provide funding to the Waianae Coast Comprehensive Health Center (WCCHC) for the continuation of its twenty-four-hour, year-round emergency department services to residents of the Waianae coast.

While we appreciate the intent of this bill, as currently written the means for the State to expend the funds might violate article VII, section 4, of the Hawaii Constitution. That section provides, in part, that “[n]o grant of public money or property shall be made except pursuant to standards provided by law.” Chapter 42F, Hawaii Revised Statutes (HRS), prescribes the standards for a grant, award, or appropriation of state funds to a specified recipient. We do not know whether these standards have been met.

We recommend that, if WCCHC is eligible pursuant to the standards of chapter 42F, HRS, the Legislature could appropriate the funds as a grant to WCCHC to achieve the goals intended by this bill. This can be accomplished by making the following changes in section 2, page 7, lines 6-10:

There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,400,000 or so much thereof as may be necessary for fiscal year 2022-2023 as a grant pursuant to chapter 42F, Hawaii Revised Statutes to the Waianae Coast Comprehensive Health Center for operation of its twenty-four-hour emergency department.

If the Committee decides to proceed with this bill, and if the WCCHC meets the requirements of chapter 42F, HRS, then we respectfully recommend that the Committee amend the funding provision to meet the requirements of article VII, section 4, of the Hawaii State Constitution. If the WCCHC does not meet the requirements of chapter 42F, HRS, then it might be possible for the State to provide funds for WCCHC's emergency department services through the procurement process or possibly through an exemption from procurement under section 3-141-503, Hawaii Administrative Rules.

Thank you for the opportunity to testify.



**WAIANAЕ COAST
COMPREHENSIVE
HEALTH CENTER**
www.wcchc.com

COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS
Representative Ryan I. Yamane, Chair
Representative Adrian K. Tam, Vice Chair

Tuesday, February 15, 2022; 9:00am; Conference Room 329

Testimony in Support of HB 2058: Relating to the Waianae Coast Comprehensive Health Center Emergency Department

Submitted By: Richard Bettini, President & CEO, Waianae Coast Comprehensive Health Center

The Waianae Coast Comprehensive Health Center (Health Center) is requesting an increase in support of its 24-hour emergency medical services department. While the Health Center's Emergency Services is an essential part of Hawaii's emergency medical and disaster response, the Center has not received an increase in its state subsidy funding in 13 years.

While the Health Center is able to sustain emergency medical care during day and evening hours, covering the cost of overnight (midnight to 8 am) services is problematic. Unlike all emergency departments located at State and private hospitals, the Health Center is unable to bill Medicaid or Medicare an "ER facility fee" and can only charge these funding sources as a primary care outpatient visit. Most of the Health Center's Emergency Services patients are in these payment categories or are uninsured.

An after-hours subsidy will allow the Health Center to be available for late night and early morning emergencies as well as serving as an important component of Hawaii's disaster response. Over the last 12 years the Health Center has upgraded all aspects of its emergency capability yet continues to absorb increasing losses. During the COVID-19 epidemic, the Center's ER demonstrated an extraordinary response for the Waianae community that had one of the highest, if not the highest, of COVID-19 positive residents.

The Health Center has been receiving \$1,468,000 annually in State support since 2008 for its Emergency Services from midnight to 8:00am. This funding level covers approximately one-third of the emergency department shortfall. The proposed request is for the Health Center and the State to cover the remaining deficit equally.

Our request is to add \$1,400,000 to the current \$1,468,000 subsidy for fiscal year 2022-2023. The Health Center intends to fundraise and make contractual adjustments to offset the remaining deficit.

The Waianae community appreciates continuing support for this life saving service. Mahalo.



**Testimony to the House Committee on Health, Human Services and Homelessness
Tuesday, February 15, 2022; 9:00 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: HOUSE BILL NO. 2058, RELATING TO THE WAIANAE COAST COMPREHENSIVE HEALTH CENTER EMERGENCY DEPARTMENT.

Chair Yamane, Vice Chair Tam, 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** House Bill No. 2058.

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.

This bill, as received by your Committee, would appropriate \$1,400,000 in general funds for fiscal year 2022-2023, to the Waianae Coast Comprehensive Health Center (WCCHC) for operation of its twenty-four-hour emergency department.

As a member of the HPCA, WCCHC plays a critical role in the provision of essential emergency medical services on the Leeward Coast of the Island of Oahu. As brought to the Legislature's attention last year with House Bill No. 59, House Draft 1 -- that the repeal of the Community Health Center Special Fund would have led to the partial closure of the WCCHC emergency department -- it is vital that all steps be taken to ensure the continual operation of this essential facility.

The HPCA urges your favorable consideration.

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.

HB-2058

Submitted on: 2/14/2022 8:50:58 PM

Testimony for HHH on 2/15/2022 9:00:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
Kristen Kameda	Individual	Support	No

Comments:

Aloha, my name is Kristen Kameda. I am in the master's program with the Thompson School of Social Work and Public Health at UH Manoa and I am testifying in favor of House Bill 2058.

Before the Waianae Coast Comprehensive Health Center (WCCHC) was founded in 1972, healthcare on the Waianae Coast was provided by the sugar mill dispensary. When the sugar mill closed, residents on the west coast were left without a medical facility and were forced to travel to urban Honolulu to see a doctor. Because of this, only the severely ill sought care.

In 2019, Waianae had a population of 13,600 people where the largest ethnic group is Native Hawaiian and Other Pacific Islander at 33.8%. The Native Hawaiian population experience numerous social and health disparities. Here, in Hawaii, Native Hawaiians have the shortest life expectancy and higher mortality rates than the total population where poor health is inextricably linked to socioeconomic factors. Appropriating funds to the Waianae Coast Comprehensive Health Center for operation of its twenty-four-hour emergency department will help close the gap of health inequalities between Native Hawaiians and Other Pacific Islanders and access to healthcare.

Additionally, the Comprehensive Center will attain progressive resources that will fulfill its mission and vision in providing accessible and affordable medical and traditional healing services, while addressing health disparities, improving population health, and reducing health inequalities despite financial and cultural barriers.

Furthermore, the Waianae Coast Comprehensive Health Center is the only Federally Qualified Health Center (FQHC) on the west side. It was built by the community, for the community. It is extremely important to maintain its existence in addressing the needs of the community that go well beyond providing medical care.

As a future social worker working with children and families it is my responsibility to seek justice for the underserved populations and bring awareness to and for the communities. It is my due diligence to submit testimony in support of House Bill 2058. I gracefully ask that you pass House Bill 2058 to promote and encourage equal healthcare access and distribution. Thank you for your time and the allowance to testify on behalf of House Bill 2058.

Mahalo nui,

Kristen Kameda