

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

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. 2392, H.D. 1

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

RELATING TO HEALTH

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

House Bill No. 2392, H.D. 1, appropriates an unspecified amount of general funds in FY 22 to the Department of Health for COVID-19 pandemic mitigation, including vaccinations, distribution of supplies, testing, monitoring, reporting, and related staffing.

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

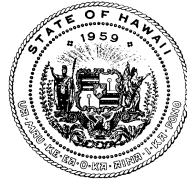
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

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**

P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of H.B. 2392 H.D. 1
RELATING TO HEALTH.**

REP. RYAN I. YAMANE, CHAIR
HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS
Hearing Date: 2/15/22 Room Number: VIA VIDEOCONFERENCE

1 **Department Testimony:** Thank you for the opportunity to provide testimony in STRONG
2 SUPPORT of House Bill 2392 H.D. 1, which makes an emergency appropriation of funds for
3 fiscal year 2021-2022 to the Department of Health. The Department of Health respectfully
4 requests appropriations in the sum of \$12,000,000 for fiscal year 2021-2022 for COVID-19
5 surge-response vaccination activities through June 30, 2022.

6 Vaccines are our first line of response to the COVID-19 pandemic. COVID-19 vaccine is the
7 most effective means of preventing serious outcomes of COVID-19, including hospitalization
8 and death. While Hawaii is among the top ten states in the country as measured by number of
9 vaccine doses administered per population, there remain over 350,000 individuals in the state
10 who have yet to complete their primary series. Moreover, there are geographic areas within the
11 state, including rural and marginalized communities, in which coverage for COVID-19 vaccine
12 primary series remains below 60%, leaving these communities vulnerable to repeated surges of
13 infection and at risk of more severe outcomes of COVID-19. Individuals residing in these areas
14 who have decreased immune function due to age or underlying conditions and those living in
15 congregate settings are particularly at risk. The SARS-CoV-2 virus continues to evolve with
16 time, manifesting as new variant strains. Each new variant poses a potential threat of increased
17 transmissibility, increased severity, and/or decreased ability of available vaccines and therapeutic
18 agents to effectively combat the virus. Consistently high vaccination coverage throughout our
19 population is our best available tool to soften the impact of new variant waves, thereby reducing
20 strain on our health systems.

1 The Department of Health COVID-19 Vaccine response efforts have been supported by federally
2 purchased vaccine supplies, federal cooperative agreements to support public health coordination
3 and implementation of mass vaccination efforts, and by Federal Emergency Management
4 Agency (FEMA) reimbursement of costs incurred by medical providers who administer vaccine.
5 The current FEMA provider reimbursement agreement will expire on April 1, 2022. At present,
6 there has been no announcement of plans for ongoing federal support for provider
7 reimbursement.

8 Without ongoing financial support for medical administration of COVID-19 vaccine, progress
9 towards higher vaccination coverage rates is anticipated to slow, particularly in marginalized
10 communities where access to routine medical care is already limited. Funds provided through
11 federal cooperative agreements to the Department of Health have already been expended or
12 committed to building and maintaining the human, operational, and information system
13 infrastructure needed to successfully coordinate the statewide COVID-19 vaccination campaign.
14 Hence, these funds provide the backbone for the response but are not sufficient to provide the
15 medical support necessary to continue to administer vaccine in all of the locales where it is most
16 needed.

17

18 **Offered Amendments:** Page 1, section 3 to: “This Act shall take effect [~~on July 1, 2050~~] upon
19 approval.”

20 Thank you for the opportunity to testify on this measure.

21

22



February 11, 2022

The Honorable Ryan I. Yamane, Chair
The Honorable Adrian K. Tam, Vice Chair
House Committee on Health, Human Services, & Homelessness

Re: HB 2392 HD1 – Relating to Health

Dear Chair Yamane, Vice Chair Tam, and Committee Members:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 2392, HD1, which makes an emergency appropriation for coronavirus disease 2019 pandemic mitigation, including vaccination response activities. Effective 7/1/2050.

HMSA supports the intent of this measure to provide resources to the Department of Health to respond to effectively to the COVID-19 pandemic. We believe that vaccinations are a critical intervention that dramatically decreases the severity of illness as well as the transmission of disease.

Thank you for the opportunity to testify on this measure.

Sincerely,

Matthew W. Sasaki
Assistant Vice President
Government & External Relations



**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. 2392, HOUSE DRAFT 1, RELATING TO HEALTH.

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. 2392, 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.

This bill, as received by your Committee, would make an emergency appropriation of an unspecified amount of general funds for fiscal year 2021-2022 for coronavirus disease 2019 pandemic mitigation, including vaccinations, distribution of supplies, testing, monitoring, reporting, and related staffing.

This bill would take effect on July 1, 2050.

Ever since COVID-19 hit Hawaii's shores, FQHCs have worked with our partner health care providers and the State Department of Health, the Counties of Hawaii, Kauai, and Maui, and the City and County of Honolulu to plan and implement the enormous task of immunizing Hawaii's citizens. The federal government has helped enormously by fast-tracking the vaccine and paying for the hundreds of millions of doses that will need to be distributed throughout our Nation.

Testimony on House Bill No. 2392, House Draft 1
Tuesday, February 15, 2022; 9:00 a.m.
Page 2

However, the federal government is not paying for the administrative costs of delivering this medication to citizens. This includes, among other things, the purchase of needles, syringes, personal protection equipment, as well as the time of health care professionals away from their normal duties to perform this added responsibility.

The immunization plan is just one example of how COVID has had a profound systemic impact on all government services provided by the State of Hawaii. There are many more issues just like this that the Administration has had to address immediately and decisively, including those related to civil defense, transportation, human services, health and public safety just to name a few.

This bill would provide desperately needed resources to ensure that public is able to receive vaccinations and boosters as they are needed. **In light of this, 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.