

JAN 23 2009

A BILL FOR AN ACT

RELATING TO HEALTH.

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

SECTION 1. The legislature finds that approximately ten per cent of the adult population of the State of Hawaii has no public or private health insurance. In the current economic climate of the State, this number is likely to increase as the result of work layoffs and business closures. According to the Kaiser Commission on Medicaid and the Uninsured:

(1) Over four out of five uninsured people are in working families;

(2) Uninsured people are more likely than those with insurance to be hospitalized for conditions that could have been avoided;

(3) Because the uninsured are less likely to seek regular and preventive care, those with various forms of cancer or with chronic conditions are more likely to be diagnosed in later stages of their diseases resulting in higher rates of death and disability; and



1 (4) Nearly forty per cent of uninsured adults skipped a
2 recommended medical test or treatment, and twenty per
3 cent say they needed but did not get care for a
4 serious problem in the past year.

5 The significant numbers of uninsured residents have a
6 considerable economic impact on the State's hospitals, community
7 health centers, and other health care providers, threatening
8 their ability to effectively serve the whole community.

9 The legislature finds that it is in the best interests of
10 the State to ensure access to primary and preventive health care
11 for its residents. In addition to facilitating a healthier
12 population, improving access to health care reduces state
13 expenditures attributable to hospital and emergency room
14 services for preventable injuries or illnesses.

15 The legislature further finds that the most effective means
16 to encourage access to primary health care for residents without
17 health insurance is through Hawaii's system of federally
18 qualified health centers. These centers:

19 (1) Are nonprofit, community-based organizations whose
20 purpose and expertise lie in serving people who
21 otherwise have limited or no access to health care;



- 1 (2) Provide culturally and linguistically appropriate
2 health care and a broad range of primary care and
3 preventive services, and are located in medically-
4 underserved areas where people have limited access to
5 other health care providers because of geographic and
6 socio-economic barriers;
- 7 (3) Contribute greatly to the economies and livability of
8 the communities they serve; and
- 9 (4) Are cost-effective providers whose care results in
10 healthier patients and decreased use of emergency,
11 specialty, and in-patient services. A recent study
12 shows that community health centers saved Hawaii an
13 estimated \$29,000,000 in 2007 in their services to the
14 uninsured.

15 Unfortunately, while federally qualified health centers
16 represent one of the most effective and responsive systems of
17 community-based primary care for uninsured people, financial
18 support for these providers is inadequate to meet needs for
19 medical, behavioral health, and dental services.

20 The purpose of this Act is to provide cost-effective health
21 care for Hawaii residents who are uninsured while at the same
22 time ensuring that the community health center system remains



1 financially viable and stable in the face of a growing
 2 population of uninsured persons.

3 SECTION 2. There is appropriated out of the general
 4 revenues of the State of Hawaii the sum of \$ or so
 5 much thereof as may be necessary for fiscal year 2009-2010 to
 6 pay for the provision of direct health care for the uninsured,
 7 which may include primary medical, dental, and behavioral health
 8 care; provided that distribution of funds may be on a "per
 9 visit" basis, taking into consideration need on all islands.

10 The sum appropriated shall be expended by the department of
 11 health to provide resources to nonprofit, community based health
 12 care providers for the provision of health care for uninsured
 13 persons.

14 SECTION 3. This Act shall take effect on July 1, 2009.
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INTRODUCED BY:

David Y. Ige
Will Espero
Carol Fukushima
Enzanne Chun Oakland
Rosely H. Baker
Norman Sakuma
Jin
Robert P. Sumi

4. P. Ige
Y. Ige
Enzanne Chun Oakland



Report Title:

Uninsured Health Care; Federally Qualified Health Centers;
Appropriation

Description:

Appropriates funds for the provision of direct health care to
the uninsured.

