

February 8, 2010

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To: **House Committee on Health**
Representative Ryan Yamane, Chair
Representative Scott Nishimoto, Vice Chair

Rep. Della Belatti Rep. John Mizuno Rep. Joe Bertram, III
Rep. Tom Brower Rep. Mele Carroll Rep. Maile Shimabukuro
Rep. Lynn Finnegan

RE: **TESTIMONY IN SUPPORT OF HB 1366:
RELATING TO HEALTH CARE**
Hearing: February 9, 2010; 9:30 am; Room 329

Submitted by: Richard P. Bettini, MPH, MS, Chief Executive Officer
Waianae Coast Comprehensive Health Center
Contact – 697-3457 or wcchc@wcchc.com

The Waianae Coast Comprehensive Health Center is attempting to respond to complaints raised in its community regarding access to medical and support services provided by the two QUEST Expanded Access (QExA) Health Plans (see attachment A). In addition to gaps in network services, the Health Center is also concerned with late payments and deficiencies in claims processing systems particularly by one of the plans (See attachment B).

The legislation before you today offers one possible solution to the problems identified above. It proposes to offer an additional option to patients of Waianae and Waimanalo Health Centers that are enrolled in the QExA program. These patients would be allowed to opt out of QExA coverage, as provided by the two plans currently contracted to deliver these services, and enter a medical home demonstration project as described in HB 1366.

The medical home demonstration project would be facilitated through a contract with a financial intermediary or an "accountable care organization" at a per capita cost of less than the current capitation provided to the two current QExA plans. In addition to the QUEST Expanded package of benefits currently contracted to QUEST Expanded health plans, the medical home demonstration project should also offer the following value added services:

1. Support for all Community Health Center enabling services (transportation, translation, community based care management, etc. (A full set of procedure codes for these services will be specified.)
2. Payment of the facility fee for all visits to the Waianae Crisis Center "emergency department" for services provided after hours, thereby reducing the need for additional State subsidy funding for the Waianae "emergency" program. Performance goals will be established that measure the appropriateness of crisis visits and performance standards will be developed to support patients making a

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crisis visit to establish follow-up and a permanent relationship with a primary care provider.

3. Assure that reimbursement will cover a patient seen on the same day by a primary care provider as well as a behavioral health specialist in an integrated model.
4. Set up a pay for performance program that will incentivize both Waianae and Waimanalo health centers to deliver on mutually agreed upon performance standards on quality improvement targeted at the specific health care needs of these two Native Hawaiian communities.
5. An "accountable care organization" will manage a risk pool of dollars allocated for this purpose. The intermediary will commit to return 50% of unused dollars in this risk pool in the form of job training grants or quality improvement initiatives to the two communities (Waianae and Waimanalo) through their health centers.
6. The "accountable care organization" will assure that specialty services will be accessible to enrolled patients within a specified number of days and within a specified geographic distance.

The demonstration model is based on taking a more integrated approach to health care in low income communities with otherwise poor access to care.

In terms of additional revisions to this legislation we would not object to:

1. Reopening a bid process for the financial intermediary/accountable care organization based on revised bid specifications per the principles above, as long as the bid is awarded for at least 3 years and does not exceed the current per capita reimbursement offered the QUEST Expanded Health Plans (on a current rate basis).
2. Not proceeding with this project unless agreed to by affected State agencies, including the Department of Human Services.
3. Given that this proposal was intended as 2009 legislation, the Health Centers would not object to deferring this project to the next QUEST Expanded bid process if that bid process occurs at the conclusion of the current three-year QUEST Expanded contract term.

The Waianae Coast Comprehensive Health Center is seeking to be responsive to the very challenging needs of its community while not over burdening state revenues. This is one option. We believe there may be others and we urge the legislature and state administration to find ways to maximize federal Medicaid dollars in a way that returns the best value to our State.

QUEST EXPANDED ACCESS SPECIALIST NETWORKS
COMMENTS AND CONCERNS FROM THE FRONT LINES OF COMMUNITY CARE

It has been three months since the adequacy of QExA's specialty network has been examined. At that time the main complaint was the time it took to complete the prior authorizations for a specialist appointment. That time had increased from 5 minutes to up to 5 hours. Another complaint was the deceptive and inadequate specialist network. Many of the specialists listed by the plan were not taking new patients or were not participating with Ohanacare and/or Evercare. Specialists were especially rare in cardiology, gastroenterology, ENT, nephrology and pain management.

The intent of this study was to go back to the original sources of information to see if there has been improvement. The methodology was a simple 7 question survey:

- Is the number of Specialists with OhanaCare and EverCare adequate?
- Are the specialists located close to your clinic or health center?
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists?
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient?
- How long does it take to get a specialist appointment?
- Has the coordination of care improved since OhanaCare and Evercare started?
- Any other comments about QExA Specialist Referrals.

The overall response in terms of improvement has been, **NO**. From referral clerks to physicians to medical directors; many of the same concerns were voiced. The consensus is there are a limited number of specialists available in the QExA plans. One reason is that many of the specialists are restricting the number of QExA patients they see. Gastroenterology remains one of the tougher appointments to get within a reasonable amount of time. Coordination of care is still lacking and very much misunderstood by the patients. Waiting times for the specialist appointments themselves are from 2 to 6 weeks.

Relative to October 2009, the specialist network for QExA Plans OhanaCare and EverCare has improved little. Below are the original responses. These responses represent the gamut from clerk to physician to medical director from Community Health Centers on Oahu, Maui and Hawaii.

RESPONSES TO QEXA SPECIALIST AVAILABILITY: 1/12/10 to 1/14/10

SHEILA GANABAN – WCCHC Referral Clerk

- Is the number of Specialists with OhanaCare and EverCare adequate? No, we could use more Specialist that are par with OhanaCare and EverCare. Right now, we are very limited...
- Are the specialists located close to your clinic or health center? No, many of the Specialist are located wel outside of the WCCHC Network. The closest being 12.5 miles away.
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists? Definitely not.... These are the Specialists that are in dire need. They need more Nephrologists, ENT's, and Pain Management Specialist that are with Ohana and Evercare. Many of the Specialist that we commonly use are not accepting Qexa.
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient? The Prior Authoriation is fairly easy and efficient. I haven't had a problem with the Prior Auth Process. In fact, the turn around time is no more than 24hrs.
- How long does it take to get a specialist appointment? Anywhere from 5 minutes to 24hr. It all depends on the research done to locate a Specialist that is accepting Qexa.
- Has the coordination of care improved since OhanaCare and Evercare started? I don't believe so. There are so many unanswered questions regarding Qexa. A lot of the patients aren't able to follow adequately with their treating Specialist because the Specialist is not a par provider. Therefore, they get referred o another Specialist. Alot of the patients find this confusing and troublesome.
- Any other comments about QExA Specialist Referrals. None.

KANANI KAE0 – WCCHC Team Office Manager

- Is the number of Specialists with OhanaCare and EverCare adequate? NO, not enough to see patient demand.
- Are the specialists located close to your clinic or health center? NO, they're in town or on the other side of the island.
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists? NO, not enough provider's to see our new patients in a timely manner or no longer taking any more new patients.
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient? NO, the waiting period for the approval may take up to 2-3 weeks to process and hopefully approve (per receps comments).

- How long does it take to get a specialist appointment? It's hard to get an appointment for our new patients in a timely manner. They can wait for months before they are seen. Sometimes the specialist will take the patient information and consult with their provider before making a decision to schedule patient or not.
- Has the coordination of care improved since OhanaCare and Evercare started? NO, it's harder to get new patients seen in a timely manner. Existing specialist doesn't accept QExA and it's back to square one, pt becomes a new patient to another specialist.
- Any other comments about QExA Specialist Referrals. Make it go away. It is frustrating for everyone but especially our patients.

CAROLYN PACHECO – Kalihi Palama Health Center LCSW

I got your email from Dr. Curtis Toma. I am an LCSW at KPHC for the past 7.5 years. My experience with the QExA plans such as Evercare and OhanaCare has both positive and negative aspects.

When the program first started, I did sit with a client and we called the EverCare number to set up transportation services. That took awhile, but was easy (considering dealing with mainland number and having to spell out Hawaiian street names). Client understood to call 3 days ahead to arrange her transportation. Initially though, it was a burden for clients to have to deal with a mainland company when they were used to calling the transportation service locally and directly. The client had already received a call from someone wanting to come and meet client at home to assess her needs.

For OhanaCare, I think it's rather ridiculous to have to get an authorization for us to refer to the Access Crisis & Referral Line for an eligibility assessment to see if they qualified for AMHD mental health services. That process took over an hour and calling a mainland number who did not seem to understand what we were trying to do. I only found out about needing the authorization from another co-worker. Then, I had to wait until the next day (after the client is already gone) to get the approval from someone locally. This then requires me to either have the client call back Access on their own, or for them to have to come back to my office on another visit to call while the client is present. So that process was time consuming considering that I am not a case manager, but just wanting to link a client to appropriate services.

Our BH staff were perturbed today to find out that for behavioral health, they are only allowing one 90801...therefore, if I bill for a diagnostic evaluation, then Kimo Chan will not be able to bill for one or vice versa. The other Quest plans allow us to bill for 2. This means that it's either the diagnostic evaluation by the LCSW and / or psychiatrist, not both.

KARIN, JACKIE AND AILEEN - Kalihi Palama Referral Nurses

Referrals are difficult to make mostly with pts having Ohana. More and more of the doctors' offices are saying that payment is not in a timely fashion and sometimes payment doesn't happen. Even the doctors that still accept Ohana are saying that they might stop participating.

DR. RITABELLE FERNANDES – Kokua Kalihi Valley Internist / Geriatrician

My personal opinion is that the problem with specialists is same as with other Quest plans eg Aloha Care, HMSA quest. There are limited number of specialists that wish to participate with Medicaid or Quest. We find a long wait to get appointments averaging 6 months for GI. Since KKV is located in the heart of town the distance travelled to specialist is not much for our patients.

However my biggest concern lies with the coordination of care. Very few clients have even met their service coordinator (tel disconnected, language barrier, unaware of who this person is). Little was done to educate the public about the role of the service coordinator, some even do not wish to meet with them as they are confused why this person is asking so many questions. The ones who have finally met their service coordinator have faced cuts in caregiver hours, cuts in chore person hours, denial of non-medical transportation, carehome operators not been paid etc. Poor families are not assertive, the ombudsman is doing very little about the different complaints. It appears to be that the service coordinator has primarily the plan's interest at heart and wishes to save money for the plan by denial of services.

DR. BRADLEY CHUN – Kokua Kalihi Valley Physician

- Is the number of Specialists with OhanaCare and EverCare adequate? No
- Are the specialists located close to your clinic or health center? The specialists available are located within a reasonable distance from our clinic.
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists? No. I am not aware of any pain management specialists participating with the plans.
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient? I don't know.
- How long does it take to get a specialist appointment? Depends on the specialist.
- Has the coordination of care improved since OhanaCare and Evercare started? No.

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- Any other comments about QExA Specialist Referrals. Choices are limited. There has been very little communication between the Service Providers and the physicians. The formulary has been difficult to deal with and very limited. We have had to submit numerous medication PAs which still have not been covered and this is very discouraging to me and our staff.

DR. BENJAMIN ANDERSON – WCCHC Pediatrician

I have a recent 2yr old male, former Kaiser Pt, now QeXA Ohana. Among other issues was born with Cleft palate & congenital hypoplasia of bilateral femur bones. He had palate surgery w/ Kaiser as well as myringotomy tubes place by Dr Tran w/ Kaiser insurance paying. Now, that he has QeXa Ohana, Dr Tran is no longer seeing those former Kaiser patients. Even though she did the surgery. The only ENT on Oahu that was take Ohana was Dr. Peroff at Queens.

DR. LAURA DEVILLBIS – Kokua Kalihi Valley Medical Director

Of the top of my head, the main problem we have seen is that the specialists are limiting the number of QExA patients they see. So even if a specialist is listed as a provider, when we call, they tell us they already reached their quota of QExA patients and cannot accept a new patient. They continue to see pre-existing patients but that does not help us with patients who need a new consult.

DR. CHRISTINA LEE – Waimanalo Health Center Medical Director

I ditto Laura's sentiment. I brought this up with the Ohana folks when they came to WHC for a meeting, and asked that they list on the website if the specialist is accepting new patients or only existing patients. I'm looking at their website right now and it appears they are listing "accepting new patients" or "accepting existing patients", so it seems like they were receptive to the feedback. I haven't heard any complaints from my staff recently about finding a Specialist for QExA patients.

DR. ROBIN CARTER – Hana Community Health Center Medical Director

We don't have a lot of problems with Ohana but the Evercare patients are forced to go to Oahu to see a specialist.

DR. JAKE EVANS – Bay Clinic, Inc. Medical Director

- Is the number of Specialists with OhanaCare and EverCare adequate? Not adequate.
- Are the specialists located close to your clinic or health center? It does not appear so.
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists? ENT's, nephrologists, orthopedists, and pain management specialists are in high demand and short supply.
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient? Unsure.
- How long does it take to get a specialist appointment? Anywhere from 3 weeks to 6 weeks.
- Has the coordination of care improved since OhanaCare and Evercare started? From the grumbling I hear from providers, no it has not improved.

PAUL STRAUSS – Bay Clinic, Inc. Executive Director

- Is the number of Specialists with OhanaCare and EverCare adequate? No, limited or no specialists available.
- Are the specialists located close to your clinic or health center? outlying chc sites in rural areas lack specialists in close proximity to their center.
- Do they have enough Cardiologists, Gastroenterologists, ENT's, Nephrologists or Pain Management Specialists? Insufficient number and/or access to those who will accept QExA plans
- Is the Prior Authorization process to get an appointment with a specialist easy and efficient? Burdensome process if no network provider exists
- How long does it take to get a specialist appointment? Weeks to months depending on specialists
- Has the coordination of care improved since OhanaCare and Evercare started? No

Payor Statistics
Nov-Dec 2009 as of 2/7/10

Q EverCare	Count	FFS Chgs	Pd Amt	Avg Pmt	Pd Cnt %	Pmt/Chg%
Total	970	\$158,447	\$14,224	\$43	34%	23.3%
Primary Care	363	\$43,988	\$3,379	\$48	19%	40.7%
Beh Hlth	227	\$27,188	\$436	\$48	4%	44.8%
ER	86	\$62,380	\$2,880	\$55	60%	7.7%
Lab	213	\$18,036	\$6,207	\$36	81%	53.5%
Other	2	\$104	\$23	\$23	50%	37.9%
Radiology	36	\$3,056	\$612	\$44	39%	59.1%
Specialty	43	\$5,695	\$688	\$53	30%	39.7%

Claim Issues:

Do not pay ER facility claims
Denied for "Out of Network" or "Lack of Prior Auth"

Q Ohana	Count	FFS Chgs	Pd Amt	Avg Pmt	Pd Cnt %	Pmt/Chg%
Total	1,949	\$307,986	\$68,914	\$48	73%	29.7%
Primary Care	718	\$87,236	\$26,947	\$52	72%	42.1%
Beh Hlth	470	\$55,794	\$18,676	\$51	78%	42.7%
ER	155	\$113,458	\$7,578	\$62	79%	8.5%
Lab	381	\$28,395	\$10,271	\$38	70%	52.0%
Other	3	\$98	\$18	\$9	67%	33.0%
Radiology	115	\$8,169	\$2,003	\$24	73%	32.2%
Specialty	107	\$14,839	\$3,421	\$51	63%	38.0%

Claim Issues:

- One of the two claims get denied when there is a medical & a BH 'isit on the same day
- new pt E&M denied when a specialist sees an established patient for the first time
- Certain procedures are denied for not being on the fee schedule
- TPL Issues
- Issues with xray TC modifier

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February 9, 2010

To: The Honorable Ryan I. Yamane
Chair, House Committee on Health

From: 'Ohana Health Plan

Re: House Bill 1366-Relating to Health Care

Hearing: Tuesday, February 9, 2010, 9:30 a.m.
Hawai'i State Capitol, Room 329

'Ohana Health Plan is a health plan offered by WellCare Health Insurance of Arizona, Inc. WellCare is a leading provider of managed care services dedicated to government-sponsored health care programs, focusing on Medicaid and Medicare. We operate a variety of health plans for families, children, the aged, blind or disabled as well as prescription drug plans and private fee-for-service plans. Our local team of more than 140 Hawai'i residents have been serving approximately 22,500 low-income, aged, blind, and disabled clients through the QUEST Expanded Access (QExA) program since February 1, 2009.

We appreciate this opportunity to submit testimony in opposition of House Bill 1366-Relating to the Health Care.

The purpose of this bill is to establish a Medical Home Demonstration Project, carved out of the QUEST Expanded Access (QExA), and mandate that the Department of Human Services (DHS) contract with AlohaCare to provide primary care to patients of the Wai'anae Coast Health Comprehensive Center (WCHCC) and Waimanalo Health Center (WHC).

This measure would essentially supersede the procurement process established in the 103F, Hawai'i Revised Statutes (HRS), by mandating the DHS contract with a specific health care plan to provide services already contracted through the QExA program to 'Ohana Health Plan (OHP) and Evercare.

The QExA contract requires that the winning bids establish a wide provider network, and despite the decisions by WCHCC and WHC to not sign on as participating provider with OHP, 'Ohana has worked closely with WCHCC and WHC in partnership so that our members are still able to seek and receive health care services at these sites. WCHCC and WHC also receive payment for any health care services provided from OHP when they see our members.

This measure is not only duplicative of services already established under QUEST and QExA, but violates the procurement process and may put the State's 1115 Waiver at risk. It is also important to note that a demonstration project like this may also require the approval and possibly a 1115 Waiver amendment by the federal Centers for Medicare and Medicaid Services (CMS).

For the abovementioned reasons, OHP respectfully requests that this measure be held. Thank you for the opportunity to testify on House Bill 1366.



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February 9, 2010
9:30am
Conference room 329

To: Rep. Ryan Yamane, Chair
Rep. Scott Nishimoto, Vice Chair
House Committee on Health

Rep. John Mizuno, Chair
Rep. Tom Brower, Vice Chair
House Committee on Human Services

From: Paula Arcena
Director of Public Policy

Re: HB1366 Relating to Health Care (Establishes the Medical Home Demonstration Project to contract with AlohaCare to provide primary care to patients of the Waianae Coast Comprehensive Health Center and Waimanalo Health Center.)

Thank you for the opportunity to testify in support of HB1366.

AlohaCare is a non-profit, Hawaii based health plan founded in 1994 by Hawaii's community health centers to serve low-income families and medically vulnerable members of our community through government sponsored health insurance programs. We serve beneficiaries of Medicaid and Medicare on all islands.

We would like to express our support for a demonstration project using the medical home model for beneficiaries of Hawaii's QUEST Expanded Access program (QExA) served by the Waianae Coast Comprehensive Health Center and Waimanalo Health Center.

Much has been learned since Hawaii's program for the aged, blind and disabled was transitioned from a fee-for-service program administered by the Department of Human Services to a managed care program administered by for-profit mainland based health plans.

The transition has been turbulent with many lessons learned along the way. It is unfortunate that Hawaii's most medically fragile and vulnerable patients have born the brunt of those flaws. We support this measure as an opportunity to strengthen QExA's ability to meet the needs of its beneficiaries, especially in the areas of provider networks adequacy and appropriate health plan licensure, which continue to be serious concerns about the present QExA program. Additionally, concepts such as the medical home, which was central theme in the discussion about how to improve patient care under national healthcare reform, would be beneficial to meeting the long-term and unique needs of QExA beneficiaries.

Current QExA contracts with health plans end in July 2011. While we understand that the administration is considering extending those contracts, we believe the opportunity to correct

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weaknesses in the program should be acted upon as soon as possible to improve access to quality medical care.

Whether the legislature decides to proceed with a medical home demonstration project and/or a re-design of the QExA program, AlohaCare would like the opportunity to be the health plan to perform services that improve the care provided for this vulnerable population.

Thank you for this opportunity to testify on this important matter.

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