PANKAJ BHANOT DEPUTY DIRECTOR



STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

March 21, 2011

MEMORANDUM

TO:

Honorable John M. Mizuno, Chair

House Committee on Human Services

Honorable Ryan I. Yamane, Chair House Committee on Health

FROM:

Patricia McManaman, Director

SUBJECT:

S.B. 1468, S.D. 2 - RELATING TO HEALTH

Hearing:

Monday, March 21, 2011; 9:00 a.m. Conference Room 329, State Capitol

PURPOSE: The purpose of the bill is to establish a Hawaii Medicaid modernization and innovation council to establish a patient centered health home pilot program within the Medicaid program, and to address other priorities as identified by the legislature.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill, but opposes it because it gives an external entity the authority for Medicaid programs. DHS as the single state agency for Medicaid is responsible for administering the State's Medicaid programs.

Additionally, this bill will require funding and we are concerned about an adverse impact to our priorities as indicated in the Governor's Executive Biennium Budget.

DHS is already pursuing health home pilots programs. Although the notion of the medical home has existing for a long period of time and proudly begins in Hawaii, the original model was for children with special health care needs. The medical/health home concept has reached a tipping point, but its understanding continues to evolve as applied to different populations. While similar concepts exist in the numerous medical/health home definitions, much remains to be learned.

The real potential of the health home is shifting from a reactive individual-based model to a proactive population-based one. Currently providers do not get reimbursed for utilizing registry functionality to provide routine preventive care and disease management outside of the examination room. The financial incentive is based on quantity of care. Changing reimbursement methodology to instead incentivize quality of care is already being pursued.

Our Medicaid program is diverse with different health plans relying on somewhat differing provider networks. For example, the majority of AlohaCare members receive their care through FQHCs, but the majority of HMSA members receive their care from other providers, many of whom are solo practitioners. One size does not fit all, and we need to be sensitive to the differences of all the providers who serve our Medicaid recipients.

DHS strongly opposes a one-size fits all approach and giving an external entity the authority to set criteria and the power to certify. The council should have no authority to supersede federal regulations on the definition, composition, and certification of a medical home. An independent council with the authority to dictate direction to DHS as proposed by the bill is likely to conflict with guidance from the Centers for Medicare and Medicaid Services (CMS). Additionally, the bill does not acknowledge that implementation of council recommendations are subject to CMS approval.

We welcome stakeholder input as DHS pursues the medical/health home. DHS has not in any way prohibited its health plans from pursuing the medical/health home, and some plans have chosen to do so. DHS intends to take a more proactive approach by requiring health plans to have medical/health home pilots. This will allow us to better understand what works in Hawaii and with different providers.

DHS agrees that the establishment of a council or task force that exists *in an advisory capacity* as a forum for DHS to receive stakeholder input would be very valuable, and this would likely obviate the need for a new general fund appropriation.

Thank you for the opportunity to provide testimony on this bill.



An Independent Licensee of the Blue Cross and Blue Shield Association

March 21, 2011

The Honorable John M. Mizuno, Chair The Honorable Ryan I. Yamane, Chair House Committee on Human Services and Health

Re: SB 1468 SD2 - Relating to Health

Dear Chair Mizuno, Chair Yamane, and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to support the intent of SB 1468 SD2 which would establish the Hawaii patient centered medical home (PCMH) pilot project within the Medicaid program and would create a Medicaid modernization and innovation council.

HMSA has taken great strides towards encouraging providers and facilities to increase the quality of care provided. One of the ways which we are doing this is by pursuing a new methodology of provider reimbursement that rewards health care providers for quality rather than volume. This is reflective of the type of program described within SB 1468 SD2. We believe that transitioning to this new payment model and away from simply paying for services based on volume is a vital part of creating an economically sustainable health care delivery system. In fact, we have already begun working towards the application of this program to our QUEST plan.

Our only concern would be to ensure that the language of this Bill does not impede current progress taking place within the community. For example, there may be a way to incorporate existing certification standards created by a health plan's PCMH model. Perhaps a PCMH certified physician, certified by a health plan's PCMH, would be able to utilize this credentialing for all other PCMH models in the state. Again, we are supportive and look forward to engaging the entire community on this important change to our health care system.

We also believe that the creation of the Medicaid Modernization and Innovation Council would formally establish a group to discuss potential ways to contain the cost of care for the state's needlest population.

Thank you for the opportunity to testify on SB 1468 SD2.

Sincerely,

Jennifer Diesman Vice President

Government Relations

HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814 Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

Mon

Monday, March 21, 2011, 9:00 a.m., Conference Room 329

COMMITTEE ON HUMAN SERVICES To:

> Rep. John M. Mizuno, Chair Rep. Jo Jordan, Vice Chair

COMMITTEE ON HEALTH Rep. Ryan I. Yamane, Chair Rep. Dee Morikawa, Vice Chair

From: Hawaii Medical Association

Dr. Morris Mitsunaga, MD, President

Linda Rasmussen, MD, Legislative Co-Chair Dr. Joseph Zobian, MD, Legislative Co-Chair Dr. Christopher Flanders, DO, Executive Director Lauren Zirbel, Community and Government Relations

Re: SB 1468, SD 2 Relating to Health

In Support

Chairs & Committee Members:

Hawaii Medical Association supports SB 1468, SD1.

The patient centered health home model provides comprehensive person centered health. This model will transform the health care system from one that is responsive and costly to one that is proactive and efficient. A patient centered health home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. According to the Patient Centered Primary Care Collaborative, "Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization. There is now even stronger evidence that investments in primary care can bend the cost curve, with several major evaluations showing that patient centered medical home initiatives have produced a new savings in total health care expenditures for the patients served by these initiatives."

Nearly 40 states have implemented some form of patient-centered health care home (also known as medical home) model as a means to help improve patient outcomes but

OFFICERS

PRESIDENT - MORRIS MITSUNAGA, MD PRESIDENT-ELECT - ROGER KIMURA, MD SECRETARY - THOMAS KOSASA, MD IMMEDIATE PAST PRESIDENT - DR. ROBERT C. MARVIT, MD TREASURER - STEPHEN KEMBLE, MD EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, DO

also, to help reduce the long term costs of care. All of these patient-centered models showed some level of improvement in care, cost, or both. Some of the notable examples include:

 Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month (potential Hawai'i savings for Medicaid: \$32 million per year).

Intermountain Healthcare Medical Group Care Management reduced costs by \$640
per patient per year (potential Hawai'i savings for Medicaid: \$169 million per
year).

 Colorado Medicaid and SCHIP reduced costs by \$215 per child per year (potential savings in Hawai'i Medicaid/SCHIP: \$28 million per year).

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement. The Innovation Center will consult stakeholders across the health care sector including hospitals, doctors, consumers, payers, taxes, employers, advocates, relevant federal agencies and others to obtain direct input on its operations and to build partnerships with those that are interested in its work. The organization will test models, establish an information clearinghouse of best practices in health care innovation, and create learning communities that help providers rapidly implement these new care models. Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to system transformation in Medicaid. Modernization of our Medicaid program cannot be done in the vacuum of government; consumer, insurer, community and provider input must occur. The Council could address numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

Thank you for the opportunity to testify.

From:

Okubo, Tracy [Tracy.Okubo@wellcare.com]

Sunday, March 20, 2011 12:31 PM

Sent: To:

HUStestimony

Subject:

Ohana Health Plan Testimony on SB 146, SD 2-Relating to Health

Attachments:

OHP Testimony_SB1468SD2_HUS-HLT_03-21-2011_FINAL.pdf

Testimony is attached. Mahalo!

Tracy H. Okubo

'Ohana Health Plan Manager, Government Affairs 94-450 Mokuola Street, Suite 106 Waipahu, HI 96797 Office: 808.675.7367 Cell: 808.497.2918 Fax: 808.675.7398 tracy.okubo@wellcare.com

notify us promptly if you change

your email address.

Privacy Notice: This electronic mail message, and any attachments, are confidential and are intended for the exclusive use of the addressee(s) and may contain information that is proprietary and that may be Individually Identifiable or Protected Health Information under HIPAA. If you are not the intended recipient, please immediately contact the sender by telephone, or by email, and destroy all copies of this message. If you are a regular recipient of our electronic mail, please



94-450 Mokuola Street, Suite 106, Waipahu, HI 96767 808.675.7300 | www.ohanahealthplan.com

Monday, March 21, 2011

To:

The Honorable John M. Mizuno

Chair, House Committee on Human Services

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

From:

'Ohana Health Plan

Re:

Senate Bill 1468, Senate Draft 2 - Relating to Health

Hearing:

Monday, March 21, 2011, 9:00 a.m.

Hawai'i State Capitol, Room 329

Since February 2009, 'Ohana Health Plan has provided services under the Hawai'i QUEST Expanded Access (QExA) program. 'Ohana is managed by a local team of experienced health care professionals who embrace cultural diversity, advocate preventative care and facilitate communications between members and providers. Our philosophy is to place members and their families at the center of the health care continuum.

'Ohana Health Plan is offered by WellCare Health Insurance of Arizona, Inc. WellCare provides managed care services exclusively for government-sponsored health care programs serving approximately 2.3 million Medicaid and Medicare members nationwide. 'Ohana has utilized WellCare's national experience to develop an 'Ohana care model that addresses local members' healthcare and health coordination needs.

We appreciate this opportunity to submit these comments on Senate Bill 1468, Senate Draft 2 – Relating to Health.

While we appreciate the intent of this measure to develop a system of delivering comprehensive, integrated, and holistic health care services to patients, including preventative and lifestyle health services, while drawing down an enhanced 90% federal match, we oppose Section 2 as it is currently written. We feel that this particular concept has not yet been fully developed and implementation of such a robust and comprehensive project at this time would not allow it to reap its full potential as there are still many issues that need to be worked out.

For example, many of the existing health plans are doing similar models of care, and even more so, the parameters of this program are very much duplicative in both the structure and services that are already in effect under the state's QUEST Expanded Access (QExA) program, which now after two years of going live are able to show positive results of increased health quality and cost savings to the state.

The mandated implementation of this program would essentially create a program similar to what the state is already doing for its low-income aged, blind and disabled population and could potentially divert the already stretched budget for the Department of Human Services (DHS), who are asking for an emergency appropriation of \$57.5 million just to ensure payments for this fiscal year alone. In a time of fiscal challenges, we should not be looking to create new programs that are duplicative of already existing programs that are proving to be successful in both quality of services and in cost savings, but rather we should be working with the existing plans and programs on how to best incorporate these components into their services in order to take advantage of the enhanced federal matching funds, without needing or diverting existing state dollars.

While we oppose the mandated implementation of a Hawai'i patient-centered health home pilot project within the Medicaid program, we do support Section 3 of this bill to establish a Hawai'i Medicaid Modernization and Innovational Council to further discuss how to best develop and implement a quality-driven health care delivery system using cost-effective mechanisms. It is the first and perhaps most important step we can take at this time to move heath care in Hawai'i in the right direction.

We respectively request that the bill be amended to be limited to Section 3 only. Thank you for the opportunity to provide these comments on this measure.



HOUSE COMMITTEE ON HUMAN SERVICES Rep. John Mizuno, Chair

HOUSE COMMITTEE ON HEALTH Rep. Ryan Yamane, Chair

Conference Room 329 March 21, 2011 at 9:00 a.m.

Supporting SB 1468 SD 2.

The Healthcare Association of Hawaii advocates for its member organizations that span the entire spectrum of health care, including all acute care hospitals, as well as long term care facilities, home care agencies, and hospices. Our members employ more than 40,000 people statewide, delivering quality care to the people of Hawaii. Thank you for this opportunity to testify in support of SB 1468 SD 2, which requires the Department of Human Services to create a patient-centered health home pilot program within the State's Medicaid program.

The patient-centered health care home, also known as the medical home, is intended to create a structure with processes that improve the patient experience, improve health outcomes, and reduce per capita costs. It is designed to transform the health care system from one that is reactive and costly to one that is proactive and efficient.

Nearly 40 states have implemented a form of the patient-centered health care home, and all of them have shown improvement in care, cost, or both. In Hawaii, a numer of organizations are involved in some form of patient-centered health care home, such as Kaiser Permanente, HMSA, Aloha Care, Hawaii Pacific Health, the Hawaii Independent Physicians Association, and several community health centers.

The federal Affordable Care Act (ACA) provides financial resources for programs and states to implement patient-centered models of care that Hawaii can take advantage of. The ACA will also create a center to facilitate innovations in Medicare and Medicaid. This innovation center would be able to assist the council created by SB 1468 SD 2 to guide the creation of the patient-centered health care home.

For the foregoing reasons, the Healthcare Association supports SB 1468 SD 2.

Date: March 21, 2011

Time: 9:00am

To: The Honorable John Mizuno, Chair The Honorable Jo Jordan, Vice Chair and Committee on Human Services

To: The Honorable Ryan Yamane, Chair The Honorable Dee Morikawa, Vice Chair and Committee on Health

Subject: Support of SB1468 SD2

House of Representatives The Twenty-Sixth Legislature State Capitol



My name is Lehua Ka'auwai-Krueger, General Manager of the About Face Family of Programs. I am in support of SB 1468 SD2. We are requesting a friendly amendment be inserted into the measure that would provide funding for The About Face Family of Programs.

As you may know, the About Face Family of Programs has been cut entirely from the DHS budget. We understand how tight funding is this year but we are asking to please be included in the bill to allow us to be in a position for funding consideration should anything be identified at the end of the budget process.

- Since the inception of the programs in 2003, the family of programs has educated more than 12,000 learners, providing vast benefits to their families and communities in key areas of employability skills, work maturity skills and job placement. This in turn leads to youth staying in school, getting a job and or higher education.
- Our <u>evidence based programs</u> have been and are successful that it has attracted the interest of the federal government agencies. These agencies have replicated this model in Washington D.C. and North Carolina. Hawaii serves as the model program.
- We touch <u>remote communities</u> such as Ka'u, Honoka'a, and Molokai; areas who do not or may not have services available to them. Fifty percent of students serviced in PY 2009-2010 were of Hawaiian or part Hawaiian ancestry. The Community Index chart on page two is used as a methodology identifying communities that are in need of services.
- More than a thousand learners graduate each year from the About Face! Family of Programs, diverting at-risk youth and adults from lives of crime and risky business. Database and recorded results have shown that of the learners that do complete the About Face! Family of Programs, 94 percent realize at least a single-grade gain in the core tested areas of Reading and Mathematics. Nearly 60 percent of learners in the About Face! Family of Programs land meaningful employment. In 2010, nearly 4,000 Hawaiian teens participated in the Summer Youth Employment Program, landing jobs in high-interest industries at a time when teen unemployment exceeded 30 percent.

We thank the Committee for the opportunity to present testimony on this matter.



ROTECTION INDEX

Here are various ways to assess the strength of a community. For this resport, nine inclicators of child, family, and community strengths areas seport, nine inclicators of child, family of the cards of the nine indicators and semmanized into a complex areas summarized into a canadistive score for each of 42 school complex areas summarized into a canadistive season on the indicators because some data were invariantly. Al'than, was omitted from the indicators in communities white indicators indicators indicators indicators in school, families that are lecitlify; and communities which are economically vital.

SADNAMAHA //

Klingle, R.S. (2001). Ka leo o na kelle: The 2000 Hawait andent aleabat, tobacco, and other drug use study: Kapolei, 111: State of Hawait, Department of Health. Aleabal and Drug Abuse Division.

State of Herval'1. Department of Education, Plantaing and Evaluation. Dimetr, Evaluation Section, (2001). Educat quality curvey, (2001). School status and improvement reports. [Online;] https://arch.cl. 2.th.us/

'surid \$12/3/nfam/cqiil [aniino] yarna aniq iliza Sinia (\$2005). 2005). 2005

State of Mayark Department of Health, Dental Health Division, 12002).
Statewistic public school wal beauth responsent.

State Of Hawaii'i, Department of Haman Services, (1999). TAMF and tood

States of Haven's, Department of Labor and Industrial Relations, (2001). Labor force and unemployment data. Unpublished nav. data.

11.5. Census Bureau (2000). Census 2000 [Online: Intps/ www.census.gov/census2000/ stores/ bi.html (September 30, 2002).

Wood, D. William (2001). Havval'l Covering Kids data project. Unjublished navedata

CENTER OF TROPICAL OF THE TRAINY

COLLEGE OF TROPICAL MOREUTURE & HUMAN MESOURIES

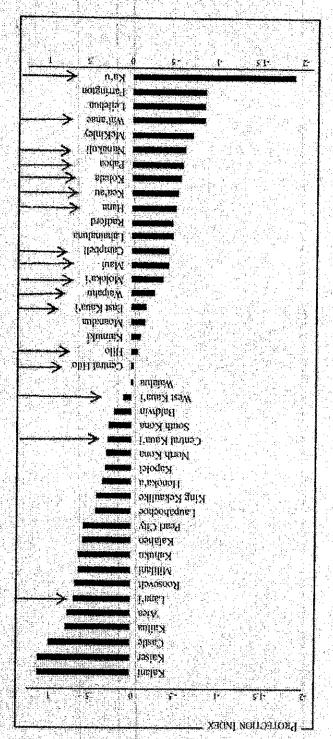
LINGHERS ROAD, MILLER HOLL 103

TOSIS CASHERS ROAD, MILLER HOLL 103

HOSOLULE, HI. 96822

Telle, 808 2x4 Selle, 820, 2808, 3x4 uboxiigwad yllumiillu yerror to utrabaW 200 tielV

COL 2007 November (Version I.))



From:

Hau'oli Tomoso [jtomoso@hnkop.org]

Sent:

Friday, March 18, 2011 5:09 AM

To: Subject:

HUStestimony Testimony SB 1468 SD 2

03-18-11

RE: SB 1468 SD 2

Hearing: Monday, March 21, 2011, 9:00 a.m., Rm. 329, State Captiol

Aloha kakou,

As a member of the Hawai'ii Primary Care Association and the Native Hawaiian Health Care System, I am in favor of this bill. Given the focus of the population served by our centers, Medicaid is in need of modernization". The whole concept and feality of health care via "patient-centered" delivery, is needed to be made real and embedded in our centers and, indeed, in all of health care system. This bill creates and empowers a "Medicaid Modernization and Innovation Council" that will help us get to this reality. I join my colleagues in looking forward to its empaneling.

Me ka mahalo pono,

John A. H. Tomoso, MSW, ACSW, LSW

BCC: HNKOPADMIN/CERTIFIEDS/SUPS, BOARDHNKOP, HPCAMAUICOUNTY, NHHCS-EDs

"Loa'a ke ola, halau ola!"
Live. Well.
John A. Hau'oli Tomoso, MSW, ACSW, LSW
Executive Director
Hui No Ke Ola Pono, Inc.
"To improve the health status of all Native Hawaiians by empowering the present and future generations to be their own health advocates."
95 Mahalani Street, Suite 16-A
Wailuku, Maui, Hawai'i 96793-2521
Ke'ena: 808-442-6801
Kelepa'i: 808-442-6884
Leka uila: jtomoso@hnkop.org

From: Sent:

Danelo Canete [dancanete@yahoo.com]

To:

Friday, March 18, 2011 11:30 AM

Subject:

HUStestimony SB 1468

TO:

COMMITTEE ON HUMAN SERVICES Representative John M. Mizuno, Chair Representative Jo Jordan, Vice Chair

COMMITTEE ON HEALTH

Representative Ryan I. Yamane, Chair Representative Dee Morikawa, Vice Chair

FROM: Danelo Cañete, MD

Hawaii Cardiology, LLC 2226 Liliha St #302 Honolulu, HI 96817

RE:

SB1468 SD2 RELATING TO HEALTH

Chairs & Committee Members,

I would like to humbly request amendments to SB1468. I am an advocate for Advance Directives and I would like to have inserted amendments relating to the issue. Since SB1468 has such a general title, "Relating to Health," I believe that it would be a perfect vehicle for inclusion of my requested amendments. An Advance Directive bill would significantly reduce the high cost of health care in the last few days of life. In 2007, 41% of the U.S. population were found to have Living Wills or Advance Directives. It is intended to formulate a plan for hospitals in Hawaii to easily locate that Living Will. It is highly recommended that if a person has an advance directive then notification of that directive be somewhere on that person because of our mobile society. Places where notification of having an Advance Directive could include things such as the Hawaii State ID, a Hawaii driver's license, etc. (example language on driver's license: "I have an Advance Directive. Please refer to it in cases of emergencies."

Thank you for this opportunity to testify!

Respectfully submitted,

Danelo Cañete, MD Hawaii Cardiology, LLC 2226 Liliha St #302 Honolulu, HI 96817

email: dancanete@yahoo.com

Cell: 808-375-0443 Fax: 866-865-5452

My motto: Live simply, love generously, care deeply, speak kindly, and leave the rest to God.

COMMITTEES ON HEALTH AND HUMAN RESOURCES

DATE: Monday, March 21, 2011

TIME: 9:00am

PLACE: Conference Room 329

State Capitol

415 South Beretania Street

TESTIMONY IN SUPPORT OF SB1468 SD2

Chairs Yamane, Mizuno and Committee members:

Thank you for an opportunity to testify in <u>support of this Act.</u> I submit my few concerns as a board member of Mental Health America:

The purpose of SB1468 is to establish a Hawaii Medicaid modernization and innovation council to create a patient centered "health home" pilot program within the State Medicaid program. The proposed home health pilot program is a direct result of the opportunity afforded by the Patient Protection and Affordable Care Act (Public Law 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), together known as the Affordable Care Act (ACA).

First, the language in SB1468 that identifies the *home health pilot program* should be clarified to reflect the Federal law. The ACA intends to improve Medicaid services by creating a state option to provide coordinated care through "health homes" for eligible individuals with chronic conditions. As defined in Federal law:

- To be eligible, a person must be eligible for Medicaid through the state plan (or a new or existing waiver), and
- Have two chronic conditions:
 - o one chronic condition and be at risk of developing a second, or
 - o one serious and persistent mental health disorder.
- "Chronic conditions" must include a mental health condition, substance abuse disorder, asthma, diabetes, health disease, or being overweight with a BMI over 25".

Both the eligibility criteria and the list of chronic conditions for the "home health" pilot should be stipulated in SB1468 to define the parameters of the program.

Next, this Bill creates a 25 member Council, primarily of physicians of multiple medical specialties, but has limited (or no) inclusion of social, advocacy or patient rights representation. By reviewing the list of eligible conditions for pilot participation, valuable input could be provided by mental health advocates (MHA, NAMI, and HDRC), as well

as AARP, who together would likely represent the majority of these pilot participants. Community input and participation should be invited.

Implementing a "home health" Medicaid model will also require participation by key State Departments to be successful. It would help provide transparency and may expedite the process, but State participation is not clear in the language of SB1468.

Finally, I want to express my thanks to Hawaii's Primary Care Association for pursuing this opportunity. The "home health" pilot program will promote parity of health treatment and this is the model we need in Hawaii.

Thank you,

Kathleen Delahanty

Sent:

Thursday, March 17, 2011 11:37 AM

To:

HUStestimony

Cc:

clee@waimanalohc.org

Subject:

Testimony for SB1468 on 3/21/2011 9:00:00 AM

Testimony for HUS/HLT 3/21/2011 9:00:00 AM SB1468

Conference room: 329

Testifier position: support Testifier will be present: No Submitted by: Christina Lee Organization: Individual

Address: Phone:

E-mail: clee@waimanalohc.org
Submitted on: 3/17/2011

Comments:

A patient-centered health care home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient.

According to the Patient Centered Primary Care Collaborative, " Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization. "

Nearly 40 states have implemented some form of patient-centered health care home model (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

- Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month. Potential Hawai'i savings for Medicaid: \$32 million per year.
- Intermountain Healthcare Medical Group Care Management reduced costs by \$640 per patient per year. Potential Hawai'i savings for Medicaid: \$169 million per year.
- Colorado Medicaid and SCHIP reduced costs by \$215 per child per year. Potential savings in Hawai'i Medicaid/SCHIP: \$28 million per year.

Health Care Home / Medical Home in Hawai'i The following organizations are involved in some form of patient-centered health care / medical home program:

- Kaiser Permanente
- HMSAHawai'i Pacific Health
- Hawai'i Independent Physicians Association
- Bav Clinic
- Hamakua Health Center
- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
- Waimanalo Community Health Center
- West Hawai'i Community Health Center
- AlohaCare

Patient-Centered Health and the Affordable Care Act

The Affordable Care Act of 2010 provides financial resources for programs and states to implement patient-centered models of care:

- Eight state demonstration projects coordinating care and payment from Medicare, Medicaid, and private health plans;
- The Advanced Primary Care Practice Demonstration for Medicare patients at community health centers:
- State demonstrations to integrate care for dual eligible (Medicare and Medicaid) individuals:
- A health home option for Medicaid enrollees that provides a 90% FMAP (federal match) for covered services during the first 8 fiscal quarters of the program.

Why a Council?

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement.

Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to transformation of the Medicaid system. Modernization of our Medicaid program cannot be done in the vacuum of government: consumer, insurer, community and provider input must occur, and the Council provides a comprehensive, fact-based forum for that input.

The Council could also function as a multipurpose entity, addressing numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

Sent:

Friday, March 18, 2011 6:02 PM

To:

HUStestimony

Cc:

apayton@hamakua-health.org

Subject:

Testimony for SB1468 on 3/21/2011 9:00:00 AM

Testimony for HUS/HLT 3/21/2011 9:00:00 AM SB1468

Conference room: 329

Testifier position: support Testifier will be present: No Submitted by: Alyce A Payton Organization: Individual

Address: Phone:

E-mail: apayton@hamakua-health.org

Submitted on: 3/18/2011

Comments:

Retain the original provisions and intent of this bill. Do not amend this blll.

A patient-centered health care home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient.

According to the Patient Centered Primary Care Collaborative, " Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization. "

Nearly 40 states have implemented some form of patient-centered health care home model (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

- Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month. Potential Hawai'i savings for Medicaid: \$32 million per year.
- Intermountain Healthcare Medical Group Care Management reduced costs by \$640 per patient per year. Potential Hawai'i savings for Medicaid: \$169 million per year.
- Colorado Medicaid and SCHIP reduced costs by \$215 per child per year. Potential savings in Hawai'i Medicaid/SCHIP: \$28 million per year.

Health Care Home / Medical Home in Hawai'i The following organizations are involved in some form of patient-centered health care / medical home program:

- Kaiser Permanente
- HMSAHawai'i Pacific Health
- Hawai'i Independent Physicians Association
- Bay Clinic
- Hamakua Health Center
- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
- Waimanalo Community Health Center
- West Hawai'i Community Health Center

AlohaCare

Patient-Centered Health and the Affordable Care Act The Affordable Care Act of 2010 provides financial resources for programs and states to implement patient-centered models of care:

• Eight state demonstration projects coordinating care and payment from Medicare, Medicaid, and private health plans;

- The Advanced Primary Care Practice Demonstration for Medicare patients at community health centers;
- State demonstrations to integrate care for dual eligible (Medicare and Medicaid) individuals;
- A health home option for Medicaid enrollees that provides a 90% FMAP (federal match) for covered services during the first 8 fiscal quarters of the program.

Why a Council?

Under the Affordable Care Act, the Centers for Medicare & Dedicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement.

Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to transformation of the Medicaid system. Modernization of our Medicaid program cannot be done in the vacuum of government: consumer, insurer, community and provider input must occur, and the Council provides a comprehensive, fact-based forum for that input.

The Council could also function as a multipurpose entity, addressing numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

Thank you very much, Alyce A. Payton, RN, BSN Clinical Director Hamakua Health Center Sent:

Friday, March 18, 2011 6:39 AM

To:

HUStestimony stark@hawaii.edu

Cc: Subject:

Testimony for SB1468 on 3/21/2011 9:00:00 AM

Testimony for HUS/HLT 3/21/2011 9:00:00 AM SB1468

Conference room: 329

Testifier position: support Testifier will be present: No Submitted by: Mariailiana Stark

Organization: Individual

Address: Phone:

E-mail: stark@hawaii.edu
Submitted on: 3/18/2011

Comments:

Please support culturally competent Health care for Hawaii's communities.