



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

House Committee on Human Services

House Committee on Health

**HCR 146, URGING THE ESTABLISHMENT OF A WORK GROUP TO
EXAMINE SOCIAL DETERMINANTS OF HEALTH AND RISK ADJUSTMENT
FOR MEDICAID, GAP-GROUP, AND UNINSURED INDIVIDUALS.**

Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health

March 28, 2013

1 **Department's Position:** Support.

2 **Fiscal Implications:** None.

3 **Purpose and Justification:** This resolution proposes to examine the relationship between social
4 determinants of health and risk adjustment for Medicaid, gap-group, and uninsured individuals and
5 recommend programmatic, benefit, actuarial, and evaluation criteria.

6

7 "Your ZIP code affects your health status more than your genetic code." Social determinants of health,
8 or the conditions in which people are born, grow, live, work and age, including the health system, are
9 responsible for a greater share of a population's disease burden, healthcare expenditure, and quality of
10 life index than congenital medical and biological conditions.

11

12 Addressing social determinants is key in achieving health equity, a policy priority for the Department of
13 Health. As part of DOH's strategic plan, the Five Foundations for Healthy Generations, DOH

Promoting Lifelong Health & Wellness

1 established the Office of Health Equity to guide health equity policies and organize activities around
2 social determinants of health. And certainly as part of overall Healthcare Transformation, there can be
3 no greater investment in people's lives or in bending the cost curve of healthcare expenditure than
4 addressing these fundamental geographic, economic, linguistic, and social disparities.

5

6 We urge adoption of HCR 146 and look forward to any opportunity to address this issue, particularly
7 across state agencies.

8

9 Thank you for the opportunity to testify in strong support of this bill.



NEIL ABERCROMBIE
GOVERNOR

SHAN S. TSUTSUI
LT. GOVERNOR

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KEALI' I S. LOPEZ
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEES ON HUMAN SERVICES AND HEALTH

TWENTY-SEVENTH LEGISLATURE
Regular Session of 2013

Thursday, March 28, 2013
10:30 a.m.

WRITTEN TESTIMONY ONLY

TESTIMONY ON HOUSE CONCURRENT RESOLUTION NO. 146 AND HOUSE RESOLUTION NO. 115 – URGING THE ESTABLISHMENT OF A WORK GROUP TO EXAMINE SOCIAL DETERMINANTS OF HEALTH AND RISK ADJUSTMENT FOR MEDICAID, GAP-GROUP, AND UNINSURED INDIVIDUALS.

TO THE HONORABLE MELE CARROLL AND DELLA AU BELATTI, CHAIRS, AND MEMBERS OF THE JOINT COMMITTEE:

My name is Gordon Ito, State Insurance Commissioner (“Commissioner”), testifying on behalf of the Department of Commerce and Consumer Affairs (“Department”). The Department supports these resolutions.

The purpose of these resolutions are to establish a Work Group to examine social determinants of health and ways to better serve the Medicaid, gap-group, and uninsured populations in this State.

The Department is willing to participate in this Work Group.

We thank this Committee for the opportunity to present testimony on this matter and ask for your favorable consideration.



Community Alliance for Mental Health

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To: The Hawai'i State House of Representatives Committees on Health and Human Services
Re: HCR 146 / HR 115

To: The Honorable Representatives Carroll, Belatti, and the members of their committees.

Aloha,

The Community Alliance for Mental Health along with United Self Help supports HCR 146 / HR 115. It might be folk wisdom but the first thing to know before one can fix something is what's broken and how it got broke. We believe that HCR 146 / HR 115 are a perfectly reasonable means to address discovering the social determinants of health and risk adjustments for Medicaid, the gap group, and the uninsured.

Mahalo,
Scott Wall
Vice-President

[
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March 28, 2013
10:30am
Conference Room 329

To The Honorable Mele Carroll, Chair
 The Honorable Bertrand Kobayashi, Vice Chair
 House Committee on Human Services

 The Honorable Della Au Belatti, Chair
 The Honorable Dee Morikawa, Vice Chair
 House Committee on Health

From: Paula Arcena, Director of Public Policy
 Robert Toyofuku, Government Affairs

Re: HCR146 & HR115 Urging the Establishment of a Work Group to examine
 Social Determinants of Health and Risk Adjustment for Medicaid, Gap-
 Group, and Uninsured Individual

Thank you for the opportunity to testify in **strong support** of HCR146 and HR115.

AlohaCare was founded nearly 19 years ago by Hawaii's community health centers to be a safety-net health plan dedicated to providing coverage for Hawaii's low-income families and residents.

We have special interest in this resolution because over 50% or approximately 35,600 AlohaCare members receive primary care from Hawaii's 14 statewide Community Health Centers and benefit from services that address social determinants of health.

We believe that a better understanding of the social determinants of health and risk adjustment for Medicaid, Gap-group and the uninsured will lead to a better understanding of how the Hawaii health care system can improve health and lower health care costs.

This is fundamental to becoming a truly patient-centered health care system that recognizes and addresses the major factors that contribute to an individual's health status.

While social determinants of health impact all types of people, the policy implications of a such a study would be most meaningful for government-sponsored health care

programs, particularly Medicaid, where programs that seek to address barriers to good health need to be encouraged.

We would gladly participate in the work group and we urge you to approve its formation.

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.

Thank you for this opportunity to testify.



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March 27, 2013

To: The Honorable Mele Carroll
Chair, House Committee on Human Services
The Honorable Della Au Belatti
Chair, House Committee on Health

From: 'Ohana Health Plan

Re: HCR 146/HR 115, Urging the Establishment of a Work Group to Examine
Social Determinants of Health and Risk Adjustment for Medicaid, Gap-
Group, and Uninsured Individuals
In Support

Hearing: Thursday, March 28, 2013 at 10:30 am
Hawai'i State Capitol, Conference Room 329

'Ohana Health Plan ('Ohana) is a member of the WellCare Health Plans, Inc.'s ("WellCare") family of companies and provides healthcare for over 30,000 Hawai'i residents. Since 2009, 'Ohana has utilized WellCare's national experience to develop a Hawai'i -specific care model that addresses local members' healthcare and health coordination needs. 'Ohana currently provides services for the Hawai'i's Department of Human Services' (DHS) MedQUEST Division for three Medicaid programs: (1) QUEST, (2) QUEST Expanded Access (QExA), and (3) Behavioral Health services for Medicaid-eligible adults who have serious mental illnesses and are participants in the QExA program.

As one of the health insurance providers in the State which works directly with many of the individuals discussed in this resolution, 'Ohana Health Plan offers our **support** of HCR 146/HR 115, and urges the establishment of a workgroup to examine

social determinants of health and risk adjustment for Medicaid, Gap-Group, and Uninsured Individuals. **We would be honored to be included as one of the representatives of the work group.**

Providing managed care services exclusively for government-sponsored health care programs through a local team of experienced health care professionals provides 'Ohana with a unique perspective on the needs of our members and the social and economic issues they face.

Recognizing that there are many factors that contribute to the health care needs of these particular individuals, we see the formation of this workgroup as a real opportunity to sit down with other stakeholders in the community and examine the issues from a holistic point of view, which is in-line with our philosophy of placing members and their families at the center of the health care continuum.

Thank you very much for the opportunity to submit testimony on this measure.



HPCA

HAWAII PRIMARY CARE ASSOCIATION

House Committee on Human Services

The Hon. Mele Carroll, Chair

The Hon. Bertrand Kobayashi, Vice Chair

House Committee on Health

The Hon. Della Au Belatti, Chair

The Hon. Dee Morikawa, Vice Chair

Testimony in Support of HCR146/HR115

URGING THE ESTABLISHMENT OF A WORK GROUP TO EXAMINE SOCIAL DETERMINANTS OF HEALTH AND RISK ADJUSTMENT FOR MEDICAID, GAP-GROUP, AND UNINSURED INDIVIDUALS

Submitted by Robert Hirokawa, Chief Executive Officer

March 28, 2013, 10:30 am, Room 329

Recent research has shown that the health and vitality of individuals and the population as a whole can be attributed to social determinants. In many instances factors such as homelessness, poverty, unemployment, language barriers, abuse, lack of education, and lack of access to exercise or healthy foods can have a more profound impact on health outcomes than even genetic disposition or traditional medical care.

The recently released County Health Rankings was able to quantify this by determining that life expectancy and health status can be attributed to:

- 40% - Social and Economic Factors
- 30% - Health Behaviors
- 20% - Clinical Care
- 10% - Physical Environment

What these numbers show is that only 1/5 of a person's life expectancy and health status can be directly attributed to the healthcare they receive. The remaining percentage is comprised of social determinants, many often competing at the same time.

The presence of social determinants presents a number of problems for the healthcare community. First, it multiplies the difficulties in identifying, assessing, and treating health concerns in a community. With so many competing forces at work, narrowing maladies to a single indicator is nearly impossible. Second, those most affected by social determinants are the homeless and poverty-stricken populations, which are often uninsured or present with health conditions that require hospitalizations or emergency department utilizations. Such visits are

costly for providers and for the health community as a whole. Third, social determinants have a direct impact on access to primary care, which also has a strong correlation to healthcare costs.

Any effort to combat the social determinants of health must be comprehensive. On the clinical side, enabling services that work to address issues in housing, transportation, economic security, interpretation, and other related factors must be present. In addition, issues such as race, age, gender, socio-economic status, and geography must be taken into consideration when treating patients. On the payment side, traditional insurance models do not address these social health indicators. To provide better value for the healthcare system and better care for patients, they must work to accommodate these issues moving forward.

As one of the primary providers of healthcare to the populations most affected by social determinants, the Hawaii Primary Care Association and the community health centers it represents supports HCR146/HR115. Every day community health centers treats those directly affected by social determinants and we wish to work collaboratively with the Hawaii healthcare community to seek answers to these problems.

We thank you for the opportunity to testify and urge your passage of this resolution.