
A BILL FOR AN ACT

RELATING TO HEALTH.

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

- 1 SECTION 1. The legislature finds that community health
2 centers serve uninsured, underinsured, low-income patient
3 populations with demographic complexities and co-morbidities, in
4 addition to one-fourth of the State's medicaid members.
5 Community health centers:
- 6 (1) Are nonprofit, community-based organizations whose
7 purpose and expertise lie in providing quality person-
8 centered health care to underserved populations and
9 regions;
- 10 (2) Provide culturally and linguistically appropriate
11 health care and a broad range of integrated primary
12 care and preventative services;
- 13 (3) Operate in medically-underserved areas where people
14 have limited access to other health care providers
15 because of geographic and socio-economic barriers;
- 16 (4) Contribute greatly to the economies and livability of
17 the communities they serve; and



1 (5) Are cost-effective quality health care providers whose
2 care results in healthier patients and decreased use
3 of emergency, specialty, and inpatient services.

4 The legislature further finds that community health centers
5 save the health care system \$1,263 per patient per year due to
6 timely, effective care and care management that reduces
7 unnecessary emergency room, inpatient, and specialty
8 utilization. This translated to savings of more than
9 \$182,000,000 in 2012. Community health centers' patient-
10 centered delivery system features: comprehensive primary
11 medical, behavioral-health, and dental services; care management
12 and enabling services that enhance access, compliance, and
13 patient engagement; and focus on quality outcomes supported by
14 electronic health records that conform to meaningful use
15 requirements. Community health centers are a smart investment
16 that result in healthier communities while saving the state
17 money.

18 Implementation of the federal Patient Protection and
19 Affordable Care Act of 2010 has resulted in uncertainty for many
20 individuals and increased numbers of uninsured. Furthermore, as
21 seen in Massachusetts following implementation of that state's
22 landmark health reform law, with the federal Patient Protection



1 and Affordable Care Act of 2010 implementation, community health
2 centers in Hawaii have seen a twenty-five per cent increase in
3 uninsured patients in 2012. Over the past ten years, Hawaii
4 community health centers have experienced a twenty-six per cent
5 increase in uninsured patients and weathered a twelve per cent
6 decrease in state health care funding for the uninsured.

7 For these reasons, it is imperative that the State provide
8 support and resources that will synchronize the trajectory of
9 community health center growth with the State's implementation
10 of the Patient Protection and Affordable Care Act and its health
11 care transformation efforts.

12 The legislature further finds that it is in the best
13 interests of the State to ensure access to primary, behavioral,
14 dental, and preventative health care for its residents. In
15 addition to facilitating a healthier population, improving
16 access to health care reduces state expenditures attributable to
17 hospital and emergency room services for preventable injuries or
18 illnesses.

19 The legislature additionally finds that the State's
20 federally matched medicaid and Med-QUEST programs form an
21 essential support for underserved individuals and for community
22 health centers. Among the medicaid programs that need to be



1 fully funded are dental benefits for adults and outreach and
2 enrollment services.

3 Oral health is as important as any other physical or mental
4 health need, and dental diseases contribute to cardiac issues
5 and premature births. Unaddressed dental needs affect the
6 ability of individuals to obtain and keep employment.

7 Med-QUEST programs offer insurance options for low-income
8 uninsured citizens. Under the federal Patient Protection and
9 Affordable Care Act of 2010, such programs expanded to
10 accommodate additional uninsured adults. It is in the best
11 interest of the State to ensure that the community programs
12 reach out to and assist individuals and families with children
13 to enroll in Med-QUEST and other social support programs for
14 which they are eligible.

15 Accordingly, the purpose of this Act is to provide quality,
16 cost-effective health care for Hawaii residents who are
17 uninsured, newly uninsured, underinsured, potential medicaid
18 enrollees, or medicaid enrollees.

19 SECTION 2. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$6,000,000 or so much
21 thereof as may be necessary for fiscal year 2014-2015 for the
22 provision of direct health care for the uninsured and



1 underinsured, including but not limited to primary medical,
2 dental, and behavioral health care; provided that distribution
3 of funds may be on a "per visit" basis and may include an
4 additional per member per month quality incentive payment,
5 taking into consideration need on all the islands.

6 The sum appropriated shall be expended by the department of
7 health for the purposes of this Act.

8 SECTION 3. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$4,800,000 or so much
10 thereof as may be necessary for fiscal year 2014-2015 to restore
11 basic adult dental benefits to medicaid enrollees. The
12 department shall obtain the maximum federal matching funds
13 available for this expenditure.

14 The sum appropriated shall be expended by the department of
15 human services for the purposes of this Act.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$800,000 or so much
18 thereof as may be necessary for fiscal year 2014-2015 to provide
19 outreach and eligibility services, including medicaid and
20 children's health insurance program eligibility, for children,
21 families, and individuals at federally qualified health centers.



1 The department shall obtain the maximum federal matching funds
2 available for this expenditure.

3 The sum appropriated shall be expended by the department of
4 human services for the purposes of this Act.

5 SECTION 5. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$2,000,000 or so much
7 thereof as may be necessary for fiscal year 2014-2015 to
8 establish health care homes in medicaid as provided by the
9 federal Patient Protection and Affordable Care Act of 2010. The
10 department shall obtain the maximum federal matching funds
11 available for this expenditure.

12 The sum appropriated shall be expended by the department of
13 human services for the purposes of this Act.

14 SECTION 6. There is appropriated out of the community
15 health centers special fund the sum of \$2,000,000 or so much
16 thereof as may be necessary for fiscal year 2014-2015 to be
17 transferred to the department of human services and expended to
18 establish health care homes for medicaid enrollees at federally
19 qualified community health centers as provided in the federal
20 Patient Protection and Affordable Care Act of 2010. The
21 department shall obtain the maximum federal matching funds
22 available for this expenditure.



1 The sum appropriated shall be expended by the department of
2 health for the purposes of this Act.

3 SECTION 7. 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 2014-2015 to
6 provide behavioral health services at federally qualified
7 community health centers.

8 The sum appropriated shall be expended by the department of
9 health for the purposes of this Act.

10 SECTION 8. This Act shall take effect on July 1, 2014.

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INTRODUCED BY: Mele Carmel

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H.B. NO. 1751

Report Title:

Community Health Centers; Appropriations

Description:

Appropriate funds to the Department of Health and the Department of Human Services to expand certain health care services to qualified individuals.

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