



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 23, 2016

The Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means
Twenty-Eighth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Senator Tokuda and Members of the Committee:

SUBJECT: SB 2395 SD1 – Relating to Telehealth

The State Council on Developmental Disabilities **SUPPORTS SB 2395 SD1.** The purpose of this bill is to enhance access to care via telehealth by removing the barriers that prevent health care providers and patients from realizing the full benefits of telehealth.

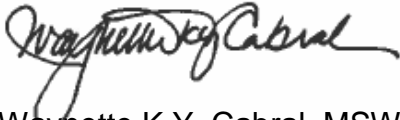
The DD Council is responsible for the development and implementation of a Five-Year State Plan. Our current State Plan (FY 2012-2016) includes an Objective, "Address all medical gaps in services, as indicated within the Individualized Service Plan by September 30, 2016." We have learned that individuals with developmental disabilities experience gaps in medical services due to several factors, such as available and willing health care providers to provide services to this population, living in rural areas, and accessible means (transportation) to get to medical appointments. An activity to address the objective is to pursue statewide telemedicine opportunities.

SB 2395 SD1 represents a comprehensive approach to telehealth in providing individuals with live consultation for health care, including but not limited to, primary care providers, mental health providers, oral health providers, physicians and osteopathic physicians licensed under Chapter 453, advanced practice registered nurses licensed under Chapter 457, psychologists licensed under Chapter 465, and dentists licensed under Chapter 448. Furthermore, this bill would assist in the delivery of enhanced statewide health care services, increase access to services, and provide timely information to patients and health care providers.

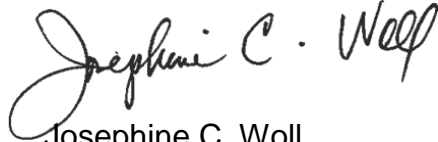
The Honorable Jill N. Tokuda
Page 2
February 23, 2016

Thank you for the opportunity to offer our **support of SB 2395 SD1.**

Sincerely,

A handwritten signature in black ink, appearing to read "Waynette K.Y. Cabral". The signature is fluid and cursive, with the first name being the most prominent.

Waynette K.Y. Cabral, MSW
Executive Administrator

A handwritten signature in black ink, appearing to read "Josephine C. Woll". The signature is cursive, with the first name being the most prominent.

Josephine C. Woll
Chair



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 20, 2016

TO: The Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means

FROM: Rachael Wong, DrPH, Director

SUBJECT: **SB 2395 SD 1- RELATING TO TELEHEALTH**

Hearing: Tuesday February 23, 2016; 9:50 a.m.
Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the opportunity to testify on this bill and provides comments.

PURPOSE: The purpose of this bill is to require the Medicaid managed care and fee-for-service programs to cover services provided through telehealth. Specifies telehealth services be consistent with all federal and state privacy, security, and confidentiality laws. Specifies medical professional liability insurance policy requirements with regard to telehealth coverage. Clarifies reimbursement for services provided through telehealth shall be the same as via face-to-face contact. Requires written disclosure of coverages and benefits associated with telehealth services. Ensures telehealth encompasses store and forward technologies, remote monitoring, live consultation, and mobile health. Ensures telehealth is covered when originating in a patient's home and other non-medical environments. Clarifies requirements for physicians and out-of-state physicians to establish a physician-patient relationship via telehealth. Ensures reimbursement requirements for telehealth services apply to all health benefits plans under chapter 87A, Hawaii Revised Statutes. Makes other conforming amendments related to telehealth.

The DHS supports telehealth which is a cost effective alternative to the more traditional face-to-face way of providing medical care, and provides greater access to health care. The Centers for Medicare and Medicaid Services (CMS) does allow for reimbursement for telehealth services and the Hawaii Medicaid program currently covers limited services.

This bill does require the Med-QUEST Division to move forward with efforts to increase the availability of telehealth services to managed care and fee-for-service recipients. The Department does require, however, additional time and flexibility to implement provisions in this bill. Currently, we are actively engaged with Medicaid managed care plans and other interested stakeholders in redesigning our telehealth services. However, while CMS encourages States to cover telehealth services, we need to work closely with CMS regarding the services and reimbursement methodology as it will require the need for submission of a State Plan Amendment (SPA). The SPA process can be lengthy and approval is necessary in order for the State to be able to receive federal match for services.

Thank you for the opportunity to testify on this measure.

**SB 2395, SD1, Relating to Telehealth
Senate Committee on Ways and Means
Hearing—February 23, 2016 at 9:50 AM**

Dear Chairwoman Tokuda and Members of the Senate Committee on Ways and Means:

My name is Matthew Koenig, MD and I am a stroke neurologist and Director of Telehealth for The Queen's Health Systems (QHS). I would like to provide **strong support for SB 2395, SD1.**

I am a telemedicine provider and the clinical lead for a stroke telemedicine project that links stroke experts at The Queen's Medical Center with seven other hospitals in the state, including Wahiawa General Hospital, Molokai General Hospital, Kona Community Hospital, Maui Memorial Medical Center, and Hilo Medical Center. Using telecommunications technologies, we are able to rapidly evaluate and treat stroke patients at hospitals that currently lack consistent on-site coverage by a stroke neurologist. This allows patients in smaller communities to be treated according to current standards of care by a stroke expert without having to transfer to a Primary Stroke Center. Last year, one-quarter of the stroke patients treated with life-saving "clot buster" medications in the state of Hawaii were treated by telehealth. The emerging use of telehealth for stroke treatment has benefitted patients by reduced death and disability. To date, it has also saved the Hawaii healthcare system approximately \$3.4 million in costs associated with reduced disability and shorter hospital length of stay, not counting the cost savings from reduced need for inter-island transfer.

As successful as the telestroke project has been, it is currently dependent on grant funding from the State of Hawaii through the Department of Health Neurotrauma Special Fund. We initially received \$480,000 in grant funding in 2011 and, this year, we applied for an additional \$450,000 in funding. Without this funding, the project would need to be terminated. Although we created a self-sustaining business model to continue the project after public funding concluded, this business model is dependent on reimbursement for telehealth services from Medicaid and private medical insurers in the state. To date, we have received no reimbursement for professional services on more than half of the stroke patients we treated using telehealth technologies. For the claims that were reimbursed, we were paid 20-50% less than we would have been paid if the same services were delivered in-person.

As illustrated by the telestroke project, there are several significant barriers to telehealth in Hawaii that have contributed to poor adoption and utilization, especially by health care providers. The major barriers include:

- No reimbursement for telehealth services for Medicaid patients located outside of federally-designated Healthcare Professional Shortage Areas (HPSAs). This means that Medicaid provides no coverage for telehealth services for stroke patients who are seen at The Queen's Medical Center West Oahu, Maui Memorial Medical Center, and Hilo Medical Center, among others.

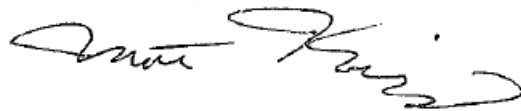
The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

- Physicians who have malpractice insurance coverage from two of the top three medical malpractice insurance companies in Hawaii are told that their malpractice insurance does not cover telehealth. This leaves Hawaii physicians who want to use telecommunications technologies to expand access to patients in our rural communities without malpractice coverage. Physicians then have to choose whether to pay for additional malpractice insurance coverage from another company or risk being sued without coverage. This problem severely limits the number of physicians using telehealth.
- Poor reimbursement for telehealth services from private insurers based on payment for telehealth billing codes that are less than the same services provided in-person.
- Restrictions on the patient's environment at the time of the telehealth encounter that require the patient to be within specific clinical settings and to have another healthcare provider physically present during the encounter. This precludes payment for telehealth services in the patient's home or other non-clinical environments like schools and businesses.

This legislation will provide a tremendous benefit to our families in Hawaii by removing all of the artificial barriers to telehealth listed above.

I ask for your support in strengthening access to health care in Hawaii by voting favorably on this measure. Thank you for your time and consideration of this important matter.

Sincerely,



Matthew A. Koenig, MD
Director of Telehealth
The Queen's Health Systems

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: laurie.field@ppvnh.org
Subject: *Submitted testimony for SB2395 on Feb 23, 2016 09:50AM*
Date: Friday, February 19, 2016 4:12:30 PM

SB2395

Submitted on: 2/19/2016

Testimony for WAM on Feb 23, 2016 09:50AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Field	Planned Parenthood Votes Northwest and Hawaii	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Jill N. Tokuda, Chair, Committee on Ways and Means
The Honorable Donovan M. Dela Cruz, Vice Chair, Committee on Ways and Means
Members, Committee on Ways and Means

From: Paula Yoshioka, Senior Vice President, The Queen's Health Systems

Date: February 19, 2016

Hrg: Senate Committee on Ways and Means Hearing; Tuesday, February 23, 2016 at 9:50am
in Room 211

Re: **Support for SB 2395, SD1, Relating to Telehealth**

My name is Paula Yoshioka and I am a Senior Vice President at The Queen's Health Systems (Queen's). I would like to express my **strong support** for SB2395, SD1, Relating to Telehealth.

At Queen's we recognize the importance of expanding access to care through telecommunication technologies. Queen's now operates statewide with a four hospital system: The Queen's Medical Center – Punchbowl, The Queen's Medical Center – West O'ahu, Molokai General Hospital, and North Hawai'i Community Hospital. It is our desire to expand health care access beyond O'ahu where our trauma and tertiary/quaternary services are located at QMC Punchbowl. We appreciate the introduction of this bill which will create greater health care access for rural O'ahu and the neighbor islands.

We concur with the testimony submitted by Matthew Koenig, MD the Director of Telehealth for The Queen's Health Systems. We ask for your support in strengthening access to health care in Hawai'i by voting favorably on this measure.

Thank you for your time and consideration of this important matter.

**February 23, 2016 at 9:50 AM
Conference Room 211**

Senate Committee on Ways and Means

To: Senator Jill Tokuda, Chair
Senator Donovan Dela Cruz, Vice Chair

From: Michael Robinson
Vice President – Government Relations & Community Affairs

Re: Testimony in Support – SB 2395, SD1

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

HPH is writing in **support** of SB 2395, SD1 which establishes a number of requirements for the delivery of telehealth services. The delivery of health care services has undergone significant technological advancements in recent years. Telehealth and telemedicine are innovative and highly effective means of providing health care services to a greater number of people. Telehealth brings health care services to our rural communities as well as underserved areas. With our shortage of physicians statewide, telehealth is an important tool in the delivery of services. This bill removes some of the barriers affecting telehealth services and thus enables more people to benefit from such services.

Thank you for the opportunity to provide testimony.



February 23, 2016 at 9:50 AM
Conference Room 211

Senate Committee on Ways and Means

To: Chair Jill N. Tokuda
Vice Chair Donovan M. Dela Cruz

From: George Greene
President and CEO
Healthcare Association of Hawaii

Re: **Testimony in Support**
SB 2395 SD 1, Relating to Telehealth

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 180 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

We would like to thank the committee for the opportunity to **support** SB 2395 SD 1. This legislation would promote telehealth by eliminating geographic and originating site limitations, instituting reimbursement parity in the Medicaid program and clarifying the relationship requirements between patients and providers, among other things.

Telehealth is used extensively throughout the country and can be particularly effective in states like Hawaii where many segments of the population face challenges in accessing quality health care due to geography. We supported the telehealth parity bill in 2014 because it expanded access to health care services, especially in rural or underserved areas. We are supportive of this legislation because it will help to ensure that the opportunities and benefits of telehealth are provided equally and widely.

We support efforts to improve the quality and accessibility for patients all throughout the state and this bill would help to reach that goal. We would respectfully request that your committee view this bill favorably. Thank you for the opportunity to testify in support of this important matter.

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: rontthi@gmail.com
Subject: *Submitted testimony for SB2395 on Feb 23, 2016 09:50AM*
Date: Saturday, February 20, 2016 10:05:37 PM

SB2395

Submitted on: 2/20/2016

Testimony for WAM on Feb 23, 2016 09:50AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Ronald Taniguchi, Pharm.D.	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov