

JAN 27 2021

A BILL FOR AN ACT

RELATING TO BEHAVIORAL HEALTH AND HOMELESS SERVICES.

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

1 SECTION 1. The legislature finds that long-standing and
2 growing community problems, such as homelessness, can be
3 addressed more effectively through greater integration, lower
4 fragmentation of payment models, and standard performance
5 metrics. The siloed approach in which state-funded services
6 currently are financed and purchased leads to:

- 7 (1) Increased administrative burden on service providers
8 and any relevant state funding agencies;
- 9 (2) Disparate and inequitable reimbursement rates paid for
10 similar services;
- 11 (3) Dissimilar contract terms regarding payment,
12 evaluation processes, and quality assurance metrics;
13 and
- 14 (4) Duplication and waste of resources.

15 The inconsistencies in procuring social services,
16 especially those for behavioral health care payers and
17 homelessness services, often result in patients receiving



1 uncoordinated care across a variety of services from public
2 providers, contracted providers, and other private providers.
3 This irregularity also perpetuates the disparity in monitoring
4 outcomes and results of services purchased by the State.

5 The legislature further finds that the consumers and
6 patients of state behavioral health services should have an
7 improved quality of behavioral health care. Act 90, Session
8 Laws of Hawaii 2019, established the involuntary hospitalization
9 task force to evaluate current behavioral health care and
10 related systems, including existing resources, systems gaps, and
11 identification of action steps. Act 263, Session Laws of Hawaii
12 2019, established a working group within the department of
13 health to evaluate current behavioral health care and related
14 systems and identify steps that may be taken to promote
15 effective integration to more effectively respond to and
16 coordinate care for persons experiencing substance abuse,
17 behavioral health conditions, and homelessness.

18 Both the involuntary hospitalization task force and working
19 group submitted reports of its findings and recommendations,
20 including any proposed legislation, to the legislature no later
21 than twenty days prior to the convening of the regular session



1 of 2020. Since then, the behavioral health services
2 administration within the department of health has made strides
3 in implementing the recommendations and closing service gaps, as
4 proved by the expansion of the Hawaii coordinated access
5 resource entry system (CARES) and the recent implementation of
6 stabilization beds for sub-acute care. However, there is still
7 much work to be done for the State to realize the goal of a
8 comprehensive, coordinated care system for behavioral health and
9 homelessness services.

10 The legislature recognizes that it can promote greater
11 coordination and enhance recent advancements by enacting
12 legislation that formalizes the multi-sectoral coordination of
13 purchasing services for behavioral health and homelessness
14 services at optimal value and impact. Given the current
15 economic situation facing the State, it is in the State's best
16 interest to do so. Accordingly, the purpose of this Act is to:

17 (1) Establish a state payor committee to be
18 administratively placed within the behavioral health
19 services administration of the department of health
20 to:



- 1 (A) Establish uniform baseline performance metrics
- 2 and evaluation standards for all state
- 3 procurement contracts for services relating to
- 4 behavioral health, substance abuse, and
- 5 homelessness services;
- 6 (B) Establish uniform reimbursement rates for all
- 7 state procurement contracts for services relating
- 8 to behavioral health, substance abuse, and
- 9 homelessness services; and
- 10 (C) Review and recommend approval for all state
- 11 procurement contracts for services relating to
- 12 behavioral health, substance abuse, and
- 13 homelessness services;
- 14 (2) Require that, beginning July 1, 2021, all state
- 15 procurement contracts for services relating to
- 16 behavioral health, substance abuse, or homelessness
- 17 services be reviewed by the state payor committee
- 18 prior to further approval, initiation, continuation,
- 19 or renewal; and
- 20 (3) Require nongovernmental entities that contract for
- 21 services relating to behavioral health, substance



1 abuse, and homelessness services to disclose, at the
2 request of any state funding agency, the source of
3 other federal, state, or county level funding received
4 for the purposes of performing any behavioral health,
5 substance abuse, or homelessness services.

6 SECTION 2. (a) There is established a state payor
7 committee within the behavioral health services administration
8 of the department of health, which shall consist of the
9 following members or their designees:

- 10 (1) Director of the department of health;
- 11 (2) State procurement officer; and
- 12 (3) Representatives from all the executive programs that
13 award procurement contracts for services relating to
14 behavioral health, substance abuse, or homelessness
15 services; provided that these representatives be
16 designated by the heads of their respective programs.

17 (b) Beginning no later than July 1, 2021, no state
18 procurement contracts for services relating to behavioral
19 health, substance abuse, or homelessness services shall be
20 initiated, renewed, or continued unless reviewed and approved by
21 the state payor committee.



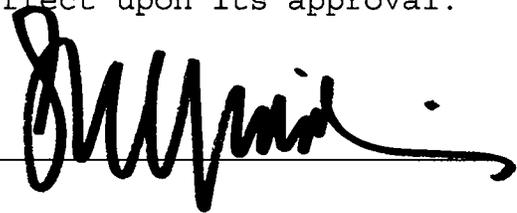
- 1 (c) The committee shall establish and adopt:
- 2 (1) Uniform baseline performance metrics and evaluation
- 3 standards, and
- 4 (2) Uniform reimbursement rates,
- 5 for all state procurement contracts for services relating to
- 6 behavioral health, substance abuse, and homelessness services.

7 SECTION 3. All community or private entities that contract
8 for services relating to behavioral health, substance abuse, or
9 homelessness services shall disclose, at the request of any
10 state funding agency, the source of other federal, state, or
11 county level funding received for the purposes of performing any
12 such services.

13 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: _____

A handwritten signature in black ink, appearing to be 'D. Medina', written over a horizontal line.

S.B. NO. 1019

Report Title:

Procurement; Behavioral Health Services; State Payor Committee

Description:

Establishes the state payor committee within the department of health to: (1) establish uniform baseline performance metrics and evaluation standards for procurement contracts for services relating to behavioral health, substance abuse, and homelessness services; (2) establish uniform reimbursement rates for such contracts; and (3) review and recommend approval for such contracts. Requires that such contracts be reviewed by the Committee prior to approval, initiation, continuation, or renewal beginning 7/1/21. Requires nongovernmental entities that contract for services relating to behavioral health, substance abuse, or homelessness services to disclose any sources of funding to perform such services.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

