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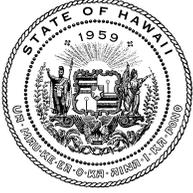
To: Senate Committee on Ways and Means

From: Carlotta Amerino, Director

Date: March 3, 2026, 10:17 a.m.
State Capitol, Conference Room 211

Re: Testimony on S.B. No. 3246, S.D. 1
Relating to Hospital Discharge Data

Thank you for the opportunity to submit testimony on this bill, which would create a system for collecting and releasing de-identified hospital discharge data and a Hospital Discharge Data Working Group to develop procedures for the new system. The Office of Information Practices (OIP) takes no position on the substance of this bill, but testified previously to recommend an amendment. That amendment was made in the S.D. 1 version of this bill, and OIP has no further concerns regarding this bill.



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, MD
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKOLE

JOHN C. (JACK) LEWIN, MD
ADMINISTRATOR

March 2, 2026

TO: SENATE COMMITTEE ON WAYS AND MEANS
Senator Donovan M. Dela Cruz, Chair
Senator Sharon Y. Moriwaki, Vice Chair
Honorable Members

FROM: John C. (Jack) Lewin, MD, Administrator, SHPDA, and Sr. Advisor to
Governor Josh Green, MD on Healthcare Innovation

RE: **SB 3246-SD1 -- RELATING TO HOSPITAL DISCHARGE DATA**

HEARING: Tuesday, March 3, 2026 @ 10:17 am; Conference Room 211

POSITION: SUPPORT with COMMENTS

Testimony:

SHPDA strongly supports SB 3246-SD1, with comments.

SHPDA did not author this bill. However, we find it very interesting and we strongly support the intent of having timely hospital comprehensive statewide de-identified hospital and emergency department (ED) discharge data available. This data would be particularly helpful in the AHEAD grant for creating hospital participation strategies based on better understanding of current utilization. It would also allow us to help neighbor island communities develop means of increasing inpatient and community care locally to reduce avoidable transport to O`ahu and to improve viability of neighbor island hospitals and services.

Much of the kinds of data described in this bill will soon be available to SHPDA from our All-Payer Claims Database (APCD), in partnership with Med-QUEST and UH, as it becomes operational in phases starting this year. However, the APCD has not yet ingested Medicare Advantage plan data, and it also lacks commercial insurance data other than the Employer-Union Healthcare Trust Fund (EUTF). Eventually it will; but that may be several years away.

SB 3246-SD1 would offer us access to much of this missing data in the next few years while we are ramping up for AHEAD grant implementation. If this can be accomplished at a modest cost, which we have not yet approximated, it could be amended later into this bill. That said, we recognize that the Healthcare Association

SB 3246-SD1: testimony of SHPDA (2026), continued.

of Hawai'i (HAH) already very professionally collects statewide hospital and ED discharge data. SHPDA would certainly want to attempt to negotiate with HAH on contracting for with their Laulima data access if that were possible as a first approach.

Even with Laulima data, SHPDA and Med-QUEST will still be lacking the data from Medicare Advantage (over 160,000 citizens) and commercial insurance patients from HMSA and Kaiser that were not included in the APCD. Because SHPDA is working with the governor to raise Hawaii's distressingly low per capita Medicare reimbursement to at least the national average, funding of \$150,000 - \$200,000 to acquire this data will help make our case to Congress. It is important for the legislature to recognize that this federal under reimbursement in Medicare is in fact the destabilizing factor that is causing the current proposals for major change in the healthcare marketplace.

We respectfully request your consideration of funding \$200,000 to acquire this missing data to include in our ongoing efforts to convince Congress to raise our per capita Medicare rates, as they did a decade ago for Alaska.

Thank you for hearing SB 3246-SD1.

Mahalo for the opportunity to testify.

■ -- Jack Lewin, MD, Administrator, SHPDA



March 3, 2026 at 10:17 am
Conference Room 211

Senate Committee on Ways and Means

To: Chair Donovan M. Dela Cruz
Vice Chair Sharon Y. Moriwaki

From: Paige Heckathorn Choy
VP, Government Affairs
Healthcare Association of Hawaii

Re: **Submitting Comments**
SB 3246 SD 1, Relating to Hospital Discharge Data

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 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 30,000 people statewide.

Thank you for the opportunity to provide **comments with concerns** on this measure. Our members recognize the value of hospital discharge data when it is collected, used, and shared through a thoughtful process that appropriately protects patient privacy and reflects the operational realities of health care delivery. Much of this information can and is provided to key partners in the private and public sector if standard conditions around the use of the data are met.

Requiring the submission of this data to a separate agency effectively recreates, in statute, a parallel system that mirrors processes already in place. In particular, the proposed hospital discharge data working group is substantially similar in structure and purpose to existing data governance and privacy boards that already review requests for access, establish data standards, and weigh privacy and security considerations. As a result, the working group would likely arrive at the same or very similar procedures that are already being used today, without a clear demonstration of what problem this new structure is intended to solve.

We are also concerned that layering new statutory reporting, audit, and public inspection requirements on top of the current system could increase administrative burden for hospitals without a corresponding improvement in data quality or accessibility. Hospitals already devote significant resources to ensuring accurate, timely, and compliant data submission, and

duplicative reporting frameworks risk diverting those resources away from patient care and quality improvement activities.

For these reasons, while we support the goal of using health care data to improve policy and outcomes, we do not believe this measure is necessary given the systems and processes already in place. Thank you for the opportunity to provide our comments on this measure.

Senator Donovan Dela Cruz Chair
Senator Sharon Moriwaki, Vice-Chair
Senate Ways and Means Committee Members

Re: SENATE BILL (SB) 3246, SENATE DRAFT (SD) 1, RELATING TO HOSPITAL DISCHARGE DATA - **SUPPORT**

Establishes a statewide system for collecting, auditing, and publicly releasing of de-identified hospital discharge data. Requires the State Health Planning and Development Agency to convene a working group. Appropriates funds.

Dear Chair Dela Cruz, Vice-Chair Moriwaki and Committee Members:

Thank you for the opportunity to testify in support of SB3246, SD1. My name is Robert L. Pickering II and I am the founder of Intellimed, a technology company that has been at the forefront of healthcare analytics, specializing in providing transparent and actionable healthcare data solution for over 250 healthcare organizations across the country.

However, I am testifying in my personal capacity and not to advance the interests or gain of Intellimed. I have been coming to Hawaii for over 30 years. 25 years ago, I bought a ranch in the islands and so I own properties and have been coming to Hawaii frequently over these many years. I have grown to care for this place and consider it my second home.

I am supporting this bill because I think it is an important step to improving healthcare in Hawaii. Similar to the data that would be collected and released in this bill, 48 states already collect statewide inpatient hospital discharge data and that more than 30 make a public-use file available for research and public health. Some states with similar population data or geographic isolation like Alaska, Delaware, Maine, New Hampshire, and Rhode Island release or support the public use of hospital discharge data through state agencies.

This data could be of critical importance to help drive healthcare policy and priorities for the state. Hawaii was one of six states to receive a \$12 million grant from CMMS for the All-Payer Health Equity Approaches and Development (AHEAD) Grant and this rare opportunity is being managed by the State Health Planning and Development Agency (SHPDA).

As such I believe it is critical for SHPDA to have access to discharge data because that set of information can provide tremendous insights into health care expenditures and population health. These insights are important because they will help SHPDA with demonstrating that under the AHEAD grant the implementation and means of improving hospital and health care providers financial viability.

It is my understanding that SHPDA has already engaged in fruitful discussions with some of the key stakeholders for this bill, including the Healthcare Association of Hawaii (HAH) and its non-profit subsidiary Laulima Data Alliance (Laulima), who collects and analyzes inpatient hospital healthcare data. I understand that Laulima already provides access to its data reporting

programs to the State Department of Health, and recently SHPDA has been given similar access. This bill is not intended to replicate, replace or displace Laulima's role nor their data program.

But, that even with that Laulima hospital *inpatient* information access provided to SHPDA, this would still leave important *gaps in healthcare data, specifically physician data, laboratory data, pharmacy data and clinic, urgent care, or freestanding ambulatory surgery center (ASC) or outpatient discharge data* which is outside of the scope of Laulima's program.

It is my further understanding that some of that missing data could be covered by the All Payer Claims Database (APCD) or Hawaii Health Data Center when it becomes operational. However, that claims data will be limited to commercial plans under the state's Employer Union Trust Fund (active and retired state and county employees), Medicare Fee for Service, and Medicaid/MedQuest. But in addition, I am concerned that it is not clear when the APCD will become fully functional and available. Since that dataset will not be complete to "all claims" anyway, I do not believe that it is comprehensive enough to accomplish the important goals of this bill.

The purpose and intent of this bill is not to overly burden or create more processes for hospitals and providers. Thus, the bill is structured to have a working group formed that can then set for the data requirements and processes for submission. The aim there is to achieve a balance of having SHPDA receive important and timely data, but in a manner that the working group can learn from other jurisdictions on the forms, datasets and processes that are most effective and efficient.

Finally, the bill proposes that there is an appropriation of \$200,000. However, I would recommend that amount be BLANKED out. These funds would be for data acquisition needs for SHPDA as needed.

Thank you for considering this proposal. I am available if you have any questions.

Sincerely,

Robert L. Pickering II