

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
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WRITTEN
TESTIMONY ONLY

**Testimony in SUPPORT of SCR 149 SD1
REQUESTING THE DEPARTMENT OF HEALTH TO ESTABLISH AN INFORMAL
WORKING GROUP TO ASSESS THE SERVICES AND FUNDING NECESSARY TO
ADDRESS THE NEEDS OF COMPLEX PATIENTS WHO HAVE AT LEAST TWO
OR MORE DIAGNOSES THAT INCLUDE SUBSTANCE USE DISORDERS,
MENTAL HEALTH DISORDERS, OR CHRONIC PHYSICAL ILLNESS**

REPRESENTATIVE GREGG TAKAYAMA, CHAIR
HOUSE COMMITTEE ON HEALTH

April 17, 2026, 10:30 am and Room: 329

- 1 **Fiscal Implications:** Undetermined.
- 2 **Department Position:** The Department of Health (“Department”) supports this measure.
- 3 **Department Testimony:** The Alcohol and Drug Abuse Division provides the following
- 4 testimony on behalf of the Department.
- 5 SCR 149 requests the Department to (1) establish an informal working group of relevant
- 6 stakeholders to assess the services and funding necessary to address the needs of complex
- 7 patients who have at least two or more diagnoses that includes substance use disorders, mental
- 8 health disorders, or chronic physical illness; and (2) submit a report of the Working Group’s
- 9 findings and recommendations, including any proposed legislation to the 2027 Legislature.
- 10 Persons with Substance Use Disorder (SUD) are more likely to have co-occurring mental health
- 11 disorders than those without an SUD. According to the 2023-2024 National Survey on Drug Use
- 12 and Health, approximately 75,000, or 6.5%, of people aged 18 and older in Hawaii experience
- 13 co-occurring SUD and any mental illness (defined as a diagnosable mental, behavioral, or
- 14 emotional disorder ranging in degree of severity within the last twelve months). Of the 75,000,

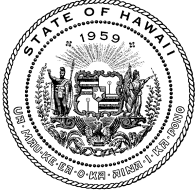
1 there are 49,700 individuals on Oahu, 11,600 individuals in Hawaii County, 9,900 individuals in
2 Maui County, and 3,800 individuals in Kauai County.

3 People with co-occurring disorders face a multitude of socioeconomic, cultural, organizational,
4 systemic, and policy-related barriers to accessing and utilizing SUD treatment and mental health
5 services. By bringing together different State and stakeholder agencies, these barriers can be
6 assessed and addressed systematically.

7 The Department agrees with the intent of this resolution and is committed to working internally
8 and with appropriate agencies and organizations on this informal working group to better address
9 the needs of complex patients.

10 **Offered Amendments:** None

11 Thank you for the opportunity to testify on this measure.



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AND DEVELOPMENT AGENCY**
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April 16, 2026

TO: HOUSE COMMITTEE ON HEALTH
Representative Gregg Takayama, Chair
Representative Sue L. Keohokapu-Lee Loy, Vice Chair
Honorable Members

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

RE: SCR 149-SD1 -- RELATING TO SUBSTANCE USE DISORDERS

HEARING: Friday, April 17, 2026 @ 10:30 am; Conference Room 329

POSITION: SUPPORTS with COMMENTS

Testimony:

SHPDA strongly supports the intent of this resolution but defers to DOH and DHS on an official response here. We believe DOH's various behavioral health, substance abuse, and prevention and public health programs already work together to address complex patient conditions. They need additional resources to adequately handle this responsibility. We also believe Med-QUEST is fully committed to the intent of this SCR.

The extent to which the commercial insurers also need to address this may be the author's intent here. Or the author may recognize that DOH and DHS do not yet have the resources they need to address complex patient needs adequately, which is most certainly the case.

Mahalo for hearing this measure.

■ -- Jack Lewin, MD, Administrator, SHPDA



SCR149 SD1 Complex Patient Model

COMMITTEE ON HEALTH

Rep. Gregg Takayama, Chair

Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

Friday, Apr 17, 2026: 10:30: Room 329 Videoconference

Hawaii Substance Abuse Coalition Supports SCR149 SD1:

ALOHA CHAIR, VICE CHAIR, AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the ad hoc leader of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder prevention and treatment agencies and recovery-oriented services such as stabilization crisis, harm reduction and supportive housing.

Across the nation, agencies are evolving to combine mental health with substance use disorder (SUD) treatment. This bill for integrated complex patient care has **the potential to transform the way providers deliver care**, improve outcomes, improve cost-effectiveness and encourage more collaborations in treatment.

This will **allow Hawaii to be more competitive to receive federal funding**, which is now available to those states who are more developed. While federal funding is released this year to states for complex patient models, such funding only goes to those states that have an existing complex patient model in place.

- *Ends fragmented care* when Medicaid, state and federal grants shift to end siloed care where only one diagnosis is covered at a time, creating silos of treatment that is difficult to collaborate efficiently.

Residential treatment, in one setting, is needed for multiple chronic illnesses of SUD, co-occurring mental health that often includes chronic physical condition.

- Coordinated multidisciplinary care, including medical management, psychiatric treatment, addiction services, and recovery supports, is essential to addressing the needs of high-acuity, high-utilizer populations.
- **A single residential program with all services in one place eliminates fragmentation** and creates continuity of care
- A residential environment allows for **relationship building, skill development, and routine stabilization.**
- Staff across disciplines follow a unified treatment plan.

Complex Patients Have Overlapping Conditions That Cannot Be Treated Separately

- Individuals with SUD frequently have **co-occurring psychiatric disorders** (depression, PTSD, bipolar, anxiety disorders).

- Many also suffer from **chronic medical illnesses** such as diabetes, COPD, cardiovascular disease, liver disease, or infectious diseases.
- Treating one condition at a time results in **fragmentation**, conflicting treatment plans, and frequent relapse or deterioration.
- Integrated care acknowledges that these conditions are **interdependent**, and improvement requires addressing them simultaneously.

Decreases in System Fragmentation

- Traditional systems require patients to navigate **separate providers** for mental health, SUD treatment, primary care, and specialty care.
- Complex patients often struggle with transportation, cognitive load, and social instability, causing them to drop out

Integrated models Reduces Total Healthcare Costs

Fewer emergency department visits; Reduced psychiatric hospitalizations; Better management of chronic diseases, avoiding preventable complications; Less cycling through detox–inpatient–ER loops. This is especially critical for high-utilizer populations. Evidence-based integrated residential treatment programs improve recovery outcomes, reduce relapse, increase treatment adherence, and decrease overall healthcare expenditures.

Without residential programs equipped to treat **all three** domains (medical + psychiatric + addiction), people fall through the cracks, leading to Higher homelessness; Higher incarceration rates; Greater burden on hospitals and EMS; Community safety and public health challenges

An integrated residential model fills a **systemic gap**.

HSAC recommends that the **Department of Health establish, operate, or contract for the operation** of one or more Integrated Residential Treatment Facilities to serve complex patients providing the following programs.

1. Comprehensive substance use disorder “Residential” treatment, including medication-assisted treatment.
2. Mental health evaluation, medication management, psychotherapy, and crisis stabilization.
3. On-site primary medical care, chronic disease management, and coordination with specialty medical providers.
4. Integrated nursing services.
5. Care coordination, case management, and discharge planning.
6. Peer support services.
7. Recovery-oriented, trauma-informed, and culturally responsive programming.
8. Harm reduction services philosophy about the “pursuit of abstinence” to improve functionality.
9. Assistance with housing, employment, and social determinants of health.

We appreciate the opportunity to provide testimony and are available for question



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Our Mission
To promote recovery and healthy lifestyles to individuals and families by providing compassionate effective comprehensive behavioral health services with the Spirit of Excellence and Aloha

My name is Nicole Hokoana, CEO of Maui Behavioral Health Resources, overseeing Aloha House, Mālama Family Recovery Center, and Maui Youth and Family Services. Our organizations provide substance use disorder treatment, mental health, and residential services across Maui County. I strongly support SCR149 SD1 and the request for the Department of Health to convene an informal working group to assess services and funding needed to serve individuals with complex, co-occurring conditions.

Many individuals served in Hawai'i's behavioral health system experience multiple overlapping conditions, including substance use disorders, serious mental illness, and chronic physical health conditions. Current funding and service structures often require providers to treat these conditions separately, resulting in fragmented care, poor coordination, and limited effectiveness for individuals with the highest acuity and service utilization.

Integrated care models are a nationally recognized best practice for addressing complex patient needs. Coordinating addiction treatment, psychiatric care, medical management, and recovery supports within a single, unified framework improves care continuity, reduces system barriers, and leads to better outcomes. Residential settings are especially important for complex patients, as they allow for stabilization, consistent multidisciplinary collaboration, and implementation of a single treatment plan across services.

The lack of integrated residential options contributes to repeated cycles through detoxification, emergency departments, inpatient hospitalization, homelessness, and incarceration—placing strain on hospitals, EMS, and community systems while failing to meet individuals' underlying needs. Integrated models have been shown to reduce emergency room utilization, improve management of chronic conditions, and lower overall healthcare costs.

Establishing a complex patient framework will address a critical gap in Hawai'i's continuum of care and better position the state to access federal funding increasingly tied to integrated service models. A Department of Health-led working group is an appropriate and necessary first step to identify sustainable, coordinated solutions that reflect the realities faced by providers and communities.

Mahalo for the opportunity to submit this testimony.

Nicole Hokoana, CEO
Aloha House, Inc.



SCR149, SD1 Complex Patient Model

COMMITTEE ON HEALTH

Rep. Gregg Takayam, Chair

Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

Friday, Apr. 17, 2026: 10:30 : Room 329 Videoconference

Hina Mauka Strongly Supports SCR149, SD1

ALOHA CHAIR, VICE CHAIR, AND DISTINGUISHED COMMITTEE MEMBERS. My name is Brian Baker. I am the President and CEO for Hina Mauka, a mental health and substance use disorder treatment and prevention agency for thousands of adults and adolescents on Oahu and Kauai, including recovery-oriented services and housing transitional living programs.

Hawai‘i is at a critical point in how it responds to individuals with the most complex healthcare needs—those living with substance use disorders, mental illness, and chronic medical conditions at the same time. Our current system was not designed to treat these conditions together, and as a result, too many people cycle through emergency rooms, detox programs, and short-term interventions without lasting stability.

Other states are moving ahead with integrated care models that treat the whole person rather than a single diagnosis. Hawai‘i has an opportunity to do the same, but without taking action now, we risk falling behind—especially as new federal funding is being directed toward states that already have these models in place.

Right now, care is often fragmented. A person may receive treatment for addiction in one place, mental health services somewhere else, and medical care in yet another setting. This separation creates gaps, conflicting treatment plans, and poor outcomes. And many times, what we see is that people simply fail to get the treatment they need at all...until it is too late, or to an extent, and in an environment that is far more costly. For individuals already facing instability, navigating multiple systems is unrealistic and often leads to disengagement from care.

The population we are discussing does not fit neatly into one category. Many individuals with substance use disorders also experience conditions such as depression, PTSD, or bipolar disorder, along with serious physical health issues like diabetes or heart disease.

Treating these conditions independently does not work—they influence each other and must be addressed together.

A residential, integrated approach offers a practical solution. When care is delivered in one setting, patients benefit from consistent treatment planning, stronger relationships with providers, and a structured environment that supports stabilization and recovery. It also allows teams—medical, behavioral health, and addiction specialists—to work in coordination rather than in isolation.

There is also a clear fiscal impact. Individuals with complex needs are often among the highest utilizers of public systems. Without coordinated care, they repeatedly cycle through emergency services, hospitals, and crisis systems. Integrated residential programs have been shown to reduce these patterns, lower overall costs, and improve long-term outcomes.

Without this type of model in place, the consequences extend beyond healthcare. We continue to see higher rates of homelessness, incarceration, and strain on emergency responders and hospitals. This is not only a healthcare issue—it is a broader public health and community stability issue.

To address this gap, we recommend that the Department of Health investigate and be authorized to contract integrated residentially-based treatment programs designed specifically for high-need, complex patients. These programs should provide substance use treatment, mental health care, medical services, care coordination, peer services and other supportive services such as housing and employment assistance, which are proven to improve outcomes and reduce overall costs—all within a single, coordinated framework. Services should also reflect trauma-informed, culturally responsive, and best practice principles.

This is an opportunity to modernize Hawai'i's approach, improve outcomes for our most vulnerable residents, and better align with available federal resources.

Mahalo for the opportunity to testify.