**HAWAII HEALTH AUTHORITY**

Department of Budget and Finance

STATE OF HAWAII

 **Minutes of Meeting**

 **Date:** Monday, March 5, 2012

**Places:** John A. Burns School of Medicine

 University of Hawaii

 615 Ilalo Street

MEB Room 202

Honolulu, HI 96813

1. **Call Meeting to Order**

The Hawaii Health Authority meeting was called to order at 4:08 P.M. by Jory Watland.

**HHA Members present:**

Ritabelle Fernandes S. Peter Kim

Rey Graulty Marion Poirer

Stephen Kemble Jory Watland

Nathan Chang

**HHA Members absent:**

 None

1. **Review of Meeting Minutes from February 6, 2012**

Minutes were reviewed. One change was recommended under section IV paragraph 6. Rey Graulty motioned to accept the minutes as is. Marion Poirier second the motion. All members voted in favor (6-0, Nathan Chang arrived after the vote at 4:35 PM)

1. **Update on membership of HHA**

Wendy Schwab has resigned from the Board. The Senate President has two names to be forwarded, Janet Primiano and Potter Schwartz.

1. **Report on meeting and discussion regarding Hawaii Health Transformation Council**

Stephen Kemble presented a report. The Hawaii Health Transformation Council is imitated by the Governor’s office, but is housed under the Hawaii Institute for Public Affairs. HIPA is soliciting for a budget of $2.3 million for their project. The project was conceived independent and unparallel with the Hawaii Health Authority. Beth Giesting has made an effort to include the HHA in this council. The executive committee has met twice. There is an executive committee, or the decision making body, as well as a large council whose membership disseminates information to their organization and constituency. In this council are the following subcommittees: care delivery reform, payment reform, health information technology, and ACA and Prepaid Healthcare Act transformation. These subcommittees are supposed to provide more solid recommendations, but the executive committee isn’t obligated to take them. Rey Graulty asked how Stephen Kemble was placed on the executive committee. Stephen Kemble said that Chris Flanders from the Hawaii Medical Association was invited to the executive committee and forwarded that information to Stephen Kemble. Stephen Kemble showed up to the executive committee meeting, thinking it was the same as the council, and the executive committee folded him in. The Executive Committee includes:

* Beth Giesting, Governor’s Office
* Thomas Tsang, Governor’s Office
* Stephen Kemble, HHA
* Chris Flanders, Hawaii Medical Association
* Jennifer Diesman, HMSA
* Paul Yoshioka, Queens Hospital
* Barbara Kim Stanton, AARP
* **Jim Tollefson,** Chamber of Commerce
* George Green, Healthcare Association of Hawaii
* Robert Hirokawa, Hawaii Primary Care Association
* John Danley, Kaiser
* Kelley Whitey, JABSOM
* Christine Sakuda, Hawaii Information Exchange

Stephen Kemble said that from the first two meetings, he has an advantage because he has a coherent plan. There is general agreement in the council that there needs to be comprehensive change. However, there seems to be two different directions, universal care and the typical ACO, pay for performance, etc. After the first meeting, Kelley Whitey asked Stephen Kemble about how we get back on track with Electronic Medical Records (EMRs). Stephen Kemble replied and has been working on that. He said that there should be a role for improving payment for primary care, cognitive services and care coordination. Stephen Kemble stated pay for performance should not be pursued. He stated that 25% of healthcare can be amenable to valid quality measures. The rest of healthcare is too complex and this results in doctors gaming the system. He states that this does not show anyone saves money. Even integrative care systems, like Kaiser in a competitive market, does not show any improvement in care because of cherry picking. Any competing health insurance plan will end up cherry picking in order to survive, and the only company to not do this is HMSA. The only way to get around this is with a universal system.

The next meeting that is on Wednesday, March 7, 2012 has three subject matter experts coming in, one from Vermont, one from the Beacon project, and one from North Carolina. In the afternoon, the executive committee meets with them to discuss topics. Stephen Kemble stated that he would still work on designing an optimum system and that if they are aligned, they’ll work with collaboration. Rey Graulty said it’s still important to work together because we may fall to the wayside. He said it’s important to understand what they’re trying to accomplish and make sure they understand what we’re trying to accomplish as well. If there are problems, we may need to resort to meeting with Bruce Coppa again.

Jory Watland has concerns that we shouldn’t get sidetracked by other groups that don’t have all of our interests. We need to look at more services for more people for less cost. We need to be careful when we use the word health and equate it with medicine. We need to be careful that when we talk about doctors, we mean physicians, and doctors. We have a problem in our society trying to enter dentistry in our system.

1. **Report on status and discussion of HHA bills and resolutions**

Ritabelle Fernandes had a question about the effective date and why it states year “2050.” Rey Graulty explained that it forces a bill to go to conference and is subject to the chair. Jory Watland is concerned about two bills getting passed. One of which is the two million dollars for food stamps, which he finds surprising coming out of a health authority and stated we need to start equating food with health. The other bill makes an appropriation for the Hawaii Health Authority in order for us to have expertise towards a universal plan. If we can get the $100,000, then we need to look at what kinds of consultants do we need. What concerns Jory Watland about the Executive Committee is that they haven’t been meeting that long and they’re presenting recommendations to the legislature. Stephen Kemble also mentioned that there are more timelines that are pressing for the implementation of a plan with regards to the Prepaid Healthcare Act and the 2014 deadline from the Affordable Care Act. Jory Watland said we’ll need to find someone who is an expert in constitutional law. Jory Watland stated the HHA needs to know ourselves well enough to move forward and that the closest thing we have to a voice is Stephen Kemble on the executive committee. Rey Graulty said that with regard to the Prepaid Healthcare Act, the Attorney General’s office should have the expertise to help us navigate us. Rey Graulty also said that he met with Marcus Oshiro and was impressed that Marcus Oshiro knows our Hawaii Health Authority bill by heart, because he wrote it. So we know that the legislature is looking to us that we stay on track to make those five points work. Jory Watland said he believes that both bills will move. He says that the Director of the Department can’t testify on behalf of the 2 million. Jory Watland says that we need to be a board, not just as a government agency, but keep the interest of health in mind. Rey Graulty said HHA members need to be out there educating the legislature and need to focus on the legislative stuff and be there to explain to legislators why it’s important to appropriate the two million. We need to do more than just submitting testimony. Rey Graulty suggested making a fact sheet to give to legislators. Jory Watland stated what points should be included in the fact sheet, including that this bill will allow the State to have a matching $2 million dollars. The members decided who would visit what members of the Senate Ways and Means committee. Chelsea Okamoto volunteered to create the SNAP fact sheet as well as a Hawaii Health Authority letterhead.

1. **Discussion on Senate Health Committee Confirmation on March 7, 2012**

Stephen Kemble and S. Peter Kim will be unable to attend. They were informed that it was not necessary to attend and their own public testimony is fine. Rey Graulty stated that it’s a formality and is like “sprinkling holy water”. Confirmation will be at 1:30 pm on March 7, 2012 in the Senate Health Committee.

1. **Adjournment**

Meeting was adjourned at 5:15 PM. The next meeting is scheduled for April 4, 2012.