**HAWAII HEALTH AUTHORITY**

Department of Budget and Finance

STATE OF HAWAII

 **Minutes of Meeting**

 **Date:** Monday, August 20, 2012

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

 University of Hawaii

 651 Ilalo Street

MEB Room 202

Honolulu, HI 96813

1. **Call Meeting to Order**

The Hawaii Health Authority meeting was called to order at 4:05 P.M. by Jory Watland.

**HHA Members present:**

Nathan Chang S. Peter Kim

Ritabelle Fernandes Jory Watland

Stephen Kemble

**HHA Members absent:**

 Rey Graulty

 Marion Poirier

 **HHA Guests present:**

 Beth Giesting

1. **Review of Meeting Minutes from July 23, 2012**

The board voted unaniomously (5-0) to approve the minutes from July 23, 2012.

1. **Report from the Definition Committee**

The Definition Committee was charged with defining the five duties and responsibilities of the Hawaii Health Authority as outlined in Hawaii Revised Statutes Chapter 322H-2. They presented their report to the board as follows:

***1. “Establishment of eligibility for inclusion in a health plan for all individuals****: The Hawaii Health Authority proposes a universal, publicly funded health program covering every resident in the State of Hawaii. Everyone will have access to the same care irrespective of race, ethnicity, gender, income, employment, or immigration status. All competing plans will be consolidated into a universal program with a single risk pool.”*

***2. “Determination of all reimbursable services to be paid by the authority***: *The World Health Organization has defined health as a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity. A universal program will assure comprehensive benefits adequate for all necessary care, not limited to, preventative, nutrition, medical, dental, vision, drug, and long-term care. The universal program will encourage health planning and coordination. Treatments, procedures, and programs that have no scientific evidence of improving health will not be compensated.”*

***3. “Determination of all approved providers of services in a health plan for all individuals***. *The consolidated health program will ensure the participation of all credentialed, practicing health care providers in the state. All health professionals will be required to maintain licensure. Complementary alternative providers will be considered as part of the psychosocial-cultural gradient of care*.”

***4. “Evaluation of health care and cost effectiveness of all aspects of a health plan for all individuals.*** *The Hawaii Health Authority recommends a system-wide continuous quality improvement program, including a unified clinical data repository. Initiatives targeting social determinants of health and population-based studies will be encouraged.”*

***5. “Establishment of*** ***a budget for a health plan for all individuals in the State.*** *All eligible providers and services defined above will be included in the budget. The state of Hawaii will be the provider of insurance for all providers of care within the Hawaii Health Authority. A single state-based administration and data center for all care will be established.”*

The discussion of the report followed the numbering of each of the five duties:

For the first and second point, the board agreed with the presented definitions.

For the third point “Determination of all approved providers of services in a health plan for all individuals,” Nathan Chang had concerns about the complementary alternative providers that would be considered under the health plan. Stephen Kemble also stated he had concerns about reimbursement for treatments that do not provide any measurable health benefits. Ritabelle Fernandes redirected the group to look at the definition outlined under the second point, where it states “treatments, procedures, and programs that have no scientific evidence of improving health will not be compensated.” Beth Giesting summarized by stating that point two and three work off each other. Nathan Chang was still unsure about the statement of complementary alternative practitioners as providers. Ritabelle Fernandes mentioned that currently Kaiser and UHA have complimentary alternative benefits. She doesn’t want to exclude these holistic healings, but it comes down to what they’re being treated for. There are people who believe in these practices; however, she only wants to include those that are proven through studies and agreed that it is a gray area. Jory Watland stated that this is an important piece to include as the Hawaii community has a broad range of thinking within the community as to what is necessary to preserve and assure health. S. Peter Kim wanted to ensure that there would be safe guards for the public against people who practice alternative medicine who cause undue harm. Jory Watland said that safeguards weren’t precluded from this definition, but it wasn’t specified. Ritabelle Fernandes asked what was covered by Kaiser and UHA. Stephen Kemble mentioned that they cover acupuncture and chiropractor services, but they are safeguarded with licensure. Ritabelle Fernandes suggested the committee add another sentence to cover scope of practice and safe guards.

For the fourth point, “Evaluation of health care and cost effectiveness of all aspects of a health plan for all individuals,” there was no discussion about additional language or changes.S. Peter Kim stated that the definition from the report was not specific, yet inclusive. Jory Watland stated that the committee didn’t get too specific where they committee ended up describing the end product; however, wanted to discuss the goals of the plan.

For the fifth point, “Establishment of a budget for a health plan for all individuals in the State,” Ritabelle Fernandes mentioned that she didn’t want to get too detailed about specifics, such as Medicaid 1115 waivers, Patient Protection and Affordable Care Act, etc., but wanted to keep this as broad as possible. Jory Watland mentioned this piece would be contentious more than others. He stated that the legislation that created us stated that there would only be one entity charged with health for Hawaii. Nathan Chang asked if this was the intent of the legislation and Jory Watland said it was clearly stated in legislative history. Nathan Chang questioned whether this was the legislative intent as there was no prescription to the Hawaii Health Authority’s interaction with the Department of Health and the Department of Human Services. Jory Watland mentioned the group Healthcare for All Hawaii, and their participation in the legislation for the Hawaii Health Authority. He stated that Hawaii is the only state with an authority like the Hawaii Health Authority. Stephen Kemble stated grass roots efforts in Vermont lead to their single payer movement, but we have an established authority without public awareness. Jory Watland agreed.

Ritabelle Fernandes stated there would be changes made and a revised report would be presented next meeting.

1. **Report from the Legislative Committee**

This item was tabled. The Legislative Committee has not convened since its creation.

1. **Report from the Hawaii Health Transformation Council**

Stephen Kemble reported about the Hawaii Health Transformation Council, part of the

Hawaii Healthcare Project. They met with the Governor last week and the Governor has asked the Hawaii Healthcare Project and Hawaii Health Authority to coordinate more. There wasn’t too much discussion on the implementation; however, we can’t get too far unless we deal with Medicaid. Stephen mentioned rapidly declining participation, difficulty in dealing with plans, etc. The Hawaii Healthcare Project brought in speakers from other states and Hawaii Healthcare Project has taken ideas from presented models to gainback participation from doctors. Stephen Kemble mentioned the Governor also stated that he is long standing advocate of single payer systems and Stephen Kemble stated that a functioning Medicaid is necessary for getting a single payer system off the ground.

 Beth Giesting added that when the Hawaii Healthcare Project met with speakers, Vermont’s model spoke to stakeholders the most because of their vision of universal health care. Vermont first started to work on their delivery models, payment, and health information technology, and Hawaii needs to do this as well. She stated that the Hawaii Health Authority and the Hawaii Healthcare Project are complimentary; whereas the Hawaii Health Authority focuses on the big picture of a system and the Hawaii Healthcare Project focuses on implementation. She said the shared vision of the healthcare system should revolve around standardization and focusing on quality, she feels that we should come up with evidence based directives and outcomes and a system that collects, measures, and feeds back into the system. Beth Giesting acknowledged that Dr. Fink is reluctant to let go of Medicaid Managed Care and feels that we shouldn’t forgo a system that can have both Medicaid Managed Care and a predictable, responsible, high-quality management system.

 Stephen Kemble stated that there will be difficulty with this vision, as this strategy will be more expensive and difficult to gain back the trust of the doctors. He doesn’t feel that simply standardizing procedure will be enough to gain additional participation from doctors. He said that there’s no value in having multiple managed care plans complicating care. He said doctor buy-in is essential and they will be skeptical with the argument of trying to “get managed care companies to be more reasonable.”

 Nathan Chang had questions regarding the relationship between Hawaii Health Authority and the Hawaii Healthcare Project and what the Governor meant by “more cooperation.” Beth Giesting stated that everyone is trying to figure out and grope around what exactly the Hawaii Health Authority is and what everyone’s responsibilities are. She stated that when she was hired, she feels the Governor didn’t foresee the two being conflicting. Jory Watland also noted that the timing of when the Hawaii Health Authority was conceived was before President Obama and the Affordable Care Act. He claimed that in a sense, the Hawaii Health Authority is the preceding body. Stephen Kemble reiterated that the Hawaii Health Authority was brought into existence without the public awareness and the Hawaii Healthcare Project has brought key players to the table and has generated funding. Stephen Kemble wants us to be able to utilize each body’s resources.

Jory Watland stated that the Hawaii Health Authority is not solely a planning body, but also an implementing body. He wants to get “more for more for less.” Stephen Kemble agreed that there needs to be less administrative waste and that there needs to be more money going to actual health care. Jory Watland stated he wants the “ushering of health” instead of “insuring health.”

 **VIII. Adjournment**

Meeting was adjourned at 5:20 PM. The next meeting will be on September 10, 2012.