**HAWAII HEALTH AUTHORITY**

Department of Budget and Finance

STATE OF HAWAII

 **Minutes of Meeting**

 **Date:** Monday, September 24, 2012

**Places:** John A. Burns School of Medicine (JABSOM)

 University of Hawaii

 651 Ilalo Street

MEB Room 202

Honolulu, HI 96813

Maui Memorial Medical Center (MMMC)

221 Mahalani Street

Kahalui Tower, 3rd Floor

Room VTC 1

Wailuku, HI 96793

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:**

Les Chun (MMMC)

Ritabelle Fernandes (JABSOM, left early at 4:40 PM)

Stephen Kemble (JABSOM)

S. Peter Kim (JABSOM)

Marion Poirier (JABSOM)

Jory Watland (JABSOM)

**HHA Members absent:**

Nathan Chang

 Rey Graulty

 Ginny Pressler

1. **Review of Meeting Minutes from August 20, 2012**

One change, Les Chun to abstain from voting on minutes on September 10, 2012. Marion Poirier motioned to approve the minutes, Stephen Kemble second the motion. The board voted (6-0) to approve the minutes from September 10, 2012.

1. **Report from the Legislative Committee and Definition Committee**

There was no report from Definition Committee. Marion Poirier delivered the report from the Legislative Committee. The Legislative Committee met and stated that the most important issues to address were the budget that needs to be submitted to the Governor’s office and legislative proposal for the future. They divided the meeting into priorities now and priorities for the legislative session. The proposal for the budget to the Governor’s office was placed into the priorities for now. Since their meeting, Jory Watland spoke to Beth Giesting about the budget and she was most interested in personnel. Everyone on government payroll needs to have 41% of the salary to benefits. Stephen Kemble questioned accuracy of the figure and Les Chun confirmed this finding.

Les Chun noted the timing of hiring and the short term of the contract. He suggested hiring a contractor instead to expedite the hiring and save on costs. Jory Watland responded and stated that it would take a considerable amount of time to get the contractor approved. Les Chun stated there is a list of contractors that are already suitable and it may be worth taking a look to see if any of the already available contractors for hire. Marion Poirier asked about how the HHA would have access to this list. Les Chun stated that perhaps Beth Giesting or Kalbert Young, Director of Budget and Finance, would be able to produce a list. Jory Watland stated that Beth Giesting wouldn’t have a problem with the people that HHA would hire, as they would be part-time and short-term employees. He stated that, from his conversation with Beth Giesting, only identification of individuals is necessary. Jory Watland concurred that the timeframe of hiring is a real concern and we would need to have people in place by December. Jory Watland also stated another concern about having a contractor is he isn’t aware of anyone who has the necessary background and has worked with the previous Hawaii universal healthcare organizations.

Les Chun stated he prefers to have one person full-time versus multiple part-time hourly positions. Jory Watland stated his intention was to hire someone and pay them for 15 hours a week and they would volunteer for more time on top of their 15 hours. Les Chun stated that he had concerns about labor laws with this arrangement. Marion Poirier noted that labor laws require that the job be accomplishable in the time specified. She hopes that we can find a type of individual that would go the extra mile; however, we wouldn’t be able to hold them accountable. Marion Poirier asked if all responsibilities should be placed in one person to work around the fringe benefits and noted that the Legislative Committee wanted to start off with one person until we have more funds to hire more. Stephen Kemble agreed that having one person would be more time efficient and cost efficient.

Jory Watland listed expenses that could be incurred with having staff, including an office space for work, travel budget for meeting, equipment, copying, and a phone line. Jory Watland also stated the assistant coordinator position would also be hired on a part time position. Ritabelle Fernandes asked if it would be possible to use grant funds from the Hawaii Healthcare Project for office supplies and use their staff as well. Jory Watland also noted that there is a problem with splitting a staff member between two different end goals. Stephen Kemble noted that overlap between the groups could create a cohesive agenda and bridge gaps; however, right now the HHA isn’t at this point and will still need an independent individual.

Stephen Kemble summarized by stating that the HHA should hire one coordinator, leaving money for additional expenses, for the HHA. The secondary position might be shared, but the primary coordinator should be hired. Marion Poirier motioned to hire one individual as a coordinator, S. Peter Kim second. Les Chun stated that there should be a hiring committee of a number of board members and felt that more than one individual makes the selection for HHA as part of their fiduciary duty. Jory Watland had concerns with this provisions as it may slow down the hiring process. Marion Poirier and Les Chun helped to formulate an amendment to the motion that Jory Watland will select two people and email out his selections to the group, and the first two available HHA members that are able to meet will be able to represent the rest of the board. The board voted (6-0) in favor of this motion.

1. **Report from the Hawaii Healthcare Project**

There has not been a meeting since the last HHA meeting. There have been emails sent back and forth by Stephen Kemble and Beth Giesting about the need to fix Medicaid managed care. Two issues that need to be addressed in order to bridge HHA and Hawaii Healthcare Project are 1) how the exchange will be designed and 2) how to fix Medicaid. Initially, the HHA is supposed to be responsible for overall healthcare planning for the state and to design and run a universal healthcare system for the State. The Hawaii Healthcare Project was designed to implement the Affordable Care Act. Recently, there has been movement to bridge the two together. In the past, Stephen Kemble was the liason between the two and there didn’t seem to be consensus from the Hawaii Healthcare Project to follow HHA recommendations. Now three members in HHA are in both groups and this should indicate that the two groups will eventually move towards consensus. S. Peter Kim asked if the HHA is more of a policy making organization whereas the Hawaii Healthcare Project mainly executes. Stephen Kemble clarified that these two groups were created for separate things and may move towards that direction, but until both groups agree that the implementation of the Affordable Care Act can be used as stepping stones for a universal care system for Hawaii, these groups are not on the same page. In areas of research, the groups have similar needs and they have some overlap; however, the goals of these two groups are not the same.

1. **Presentation of Budget Proposal for appropriated $100,000**

The discussion for this item was covered in agenda item III.

1. **Discussion of Implementing Health Insurance Exchanges**

In order to have an insurance exchange for Hawaii as a stepping stone to single payer, there needs to be integration. Stephen Kemble stated that there will need to be minimal competition, which is different from what the federal government had in mind. There will also need to be a unified system, even if there are different payers like Medicaid, Medicare, EUTF, and other commercial entities. Other states are having the insurance companies plan the insurance exchange from their point of view. Stephen Kemble stated that we need to get on the same page with the Hawaii Healthcare Project in order to be effective. Vermont has consensus that they were going to use the insurance exchange to move towards single payer, whereas Hawaii doesn’t have this consensus. Jory Watland stated that the Prepaid Healthcare Act creates a unique situation for Hawaii and Stephen Kemble agreed. He noted that Prepaid Healthcare Act helps to move us in this direction. It guarantees minimum benefits, which other states don’t have, and Hawaii also has a minimally competitive health insurance market with only two main health insurance plans, similar to Vermont.

1. **Adjournment**

Meeting was adjourned at 4:45 PM. The next meeting will be on October 8, 2012 at 4:00 pm