

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii
Sir:

Your Committee on Health, Human Services, & Homelessness, to which was referred H.B. No. 541 entitled:
"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Require executive programs that purchase social services related to behavioral health, substance abuse, and homelessness to establish uniform baseline performance metrics, evaluation standards, and reimbursement rates;
- (2) Require all community or private organizations that purchase services for behavioral health, substance abuse, or homelessness, at the request of any state funding agency, to disclose the source of other federal, state, or county-level funding the organizations receive for the purposes of performing these services; and
- (3) Establish the State Payor Committee, to be led by the Department of Health, to oversee and coordinate the purchase of services and recommend approval or rejection of the purchase of service contracts covered by this Act.

Your Committee received testimony in support of this measure from the Office of the Mayor of the County of Maui. Your Committee received testimony in opposition to this measure from the Hawaii Substance Abuse Coalition, Big Island Substance Abuse Council, Poailani Inc., and three individuals. Your Committee received comments on this measure from the Governor's Coordinator on Homelessness, Department of Human Services, Department of Health, Department of the Attorney General, State Procurement Office, The Queen's Health Systems, and one individual.

Your Committee finds that the care for persons with behavioral health and substance abuse issues is uncoordinated across state agencies and public providers. Your Committee believes that establishing a formalized coordination for purchasing services with state resources will promote greater coordination in care and better serve the people of Hawaii.

Your Committee has amended this measure by:

- (1) Adding the new statutory language to chapter 103F, Hawaii Revised Statutes, rather than chapter 103D, Hawaii Revised Statutes, as this is the more appropriate chapter for the procurements in this measure;
- (2) Clarifying the composition and duties of the State Payor Committee;
- (3) Removing references to homelessness services;
- (4) Clarifying that executive state agencies seeking to purchase social services related to behavioral health or substance abuse shall coordinate with the State Payor Committee as part of the planning process for the purchase of these services;
- (5) Clarifying that purchase of service contracts for behavioral health or substance abuse shall be reported to, rather than reviewed and approved by, the State Payor Committee;
- (6) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Health, Human Services, & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 541, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 541, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on behalf of the members of the Committee on
Health, Human Services, & Homelessness,

RYAN I. YAMANE, Chair

