



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'ŌKELE

JOHN C. (JACK) LEWIN, M.D.
ADMINISTRATOR

1177 Alakea St., #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 www.shpda.org

ADMINISTRATOR'S REPORT
July 2025

Subarea Health Planning Councils (SACs)

Hawaii County Subarea Health Planning Council (HCSAC)
Honolulu Subarea Health Planning Council (HONSAC)
Kauai County Subarea Health Planning Council (KCSAC)
Tri-Isle Subarea Health Planning Council (TISAC)
West Oahu Subarea Health Planning Council (WOSAC)
Windward Oahu Subarea Health Planning Council (WISAC)

SACs	Date of SAC Meeting/Activity in June	Date of Latest Updates Available at https://health.hawaii.gov/shpda/public-meeting-minutes/	Date of Next Meeting/Activity Scheduled
Hawaii	Did not meet	April 15, 2025	July 15, 2025
Honolulu	Did not meet	May 15, 2025	Has not been scheduled
Kauai	Did not meet	December 16, 2024	Has not been scheduled
Tri-Isle	Did not meet	March 14, 2025	August 8, 2025
West Oahu	Did not meet	January 22, 2025	July 24, 2025
Windward Oahu	Did not meet	Not Available	Has not been scheduled

Statewide Health Coordinating Council (SHCC)

Date of SHCC Meeting/Activity in June	Date of Latest Updates Available at https://health.hawaii.gov/shpda/public-meeting-minutes/	Date of Next Meeting/Activity Scheduled
Did not meet	December 9, 2024	Has not been scheduled

Statewide Health Coordinating Council-Plan Development Committee (PDC)

Date of PDC Meeting/Activity in June	Date of Latest Updates Available at https://health.hawaii.gov/shpda/public-meeting-minutes/	Date of Next Meeting/Activity Scheduled
Did not meet	November 18, 2024	Has not been scheduled

Advisory Councils

Health Data Advisory Council
Keiki Advisory Council
Kupuna Advisory Council
Universal Access Advisory Council

Advisory Councils	Date of Advisory Council Meeting/Activity in June	Date of Latest Updates Available at https://health.hawaii.gov/shpda/public-meeting-minutes/	Date of Next Meeting/Activity Scheduled
Data	Did not meet	January 21, 2025	July 22, 2025
Keiki	Did not meet	November 1, 2024	Has not been scheduled
Kupuna	Did not meet	March 11, 2025	Has not been scheduled
Universal Access	Did not meet	February 10, 2025	Has not been scheduled

Health System Reform

For SHPDA and Hawai'i, June has been a remarkable month. It reflects a major setback in national health policy with the passage of HR1, the so-called Big Beautiful Bill. The Med-QUEST program, especially affecting our lower-income higher-risk and especially our rural populations will be adversely affected by this bill, which for me personally is a heartless measure. The policy pundits I respect in DC who run numbers to predict how much each state will be impacted by the law estimate that Medicaid funding here could be reduced by as much as \$300M annually, including a sharp concerning rise in the uninsured rate. We work closely with Judy Mohr Peterson and her excellent Med-QUEST Division team on AHEAD and other matters, and they are hoping the effect may be less, though nonetheless

Health System Reform (con't)

troubling. However, Judy, the Governor, Director Fink, and others are aware also that our current 3.3% average uninsured rate statewide (2nd lowest in the nation) could jump -- hopefully not to the 10% level some DC pundits estimate could occur -- but significantly, due both to families becoming ineligible for Medicaid, but also for people using the Affordable Care Act Exchange here who will no longer receive generous subsidies to keep their premium contributions affordable. The law strips the subsidies from ACA Exchange coverage, making the Exchange insurance rates unaffordable for many. While we clearly don't know yet how many people will become newly uninsured here, it is concerning.

Solutions to this situation to be considered could include:

1. A direct legislative subsidy to keep current MQD coverage constant.
2. A new low-cost insurance product with state subsidies for uninsured persons/families displaced by these cuts, heavily emphasizing prevention, primary care, and essential chronic disease management. Note that DOH, in partnership with HMSA, Kaiser Permanente and HAH, launched something like this in 1990 called the State Health Insurance Plan ("SHIP" lasted for about 10 years but was eventually folded into Med-QUEST). This could be a temporary measure hopefully to pick up people dropped off Medicaid and to help keep premiums affordable for people removed from or can no longer afford ACA Exchange insurance.
3. The AHEAD grant could add over \$200M in new subsidies to hospitals and providers if all participated between now and 2035, which needs to be heavily promoted since participation is voluntary. AHEAD is securely supported by the new Administration, so this is an opportunity.

The AHEAD grant is moving forward as planned, although the Administration in DC may delay the mandatory features of it in terms of hospitals and provider participation for one year, which could be helpful. They also are adding a few new required features, some of which could be problematic for states. All in all, I think it will still be a major asset for us in modernizing healthcare services and financing and we are pursuing full implementation.

Finally, we are beginning to envision what legislative proposals we need to consider for 2026, and will share those next month.

(By Jack Lewin, MD)

Research and Statistics

As of June 30, 2025, the response rate for SHPDA's annual healthcare utilization survey for calendar year 2024 was at 97.2%. Overdue notifications were sent to healthcare facilities/providers that/who had not submitted their surveys by the deadline of May 31, 2025. The survey data is processed for the creation of the 2024 Hawaii Healthcare Utilization Report.

The Hawaii Health Data Center (HHDC) Project Team

(Updates will be provided in the February, May, August, and November reports.)

Certificate of Need Applications

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| #25-07A | Mililani Gastro, LLC
Establishment of outpatient surgery (surgicenter) services limited to endoscopy procedures at 95-390 Kuahelani Avenue, #4A, Mililani, HI.
Approved May 20, 2025. |
| #25-08A | Kauai Veterans Memorial Hospital
Replacement of Magnetic Resonance Imaging (MRI) unit at 4643 Waimea Canyon Drive, Waimea, HI.
Approved May 21, 2025. |