

JAN 25 2006

---

---

# A BILL FOR AN ACT

RELATING TO HEALTH CARE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature recognizes that trauma care is  
2 a public health priority and that it is in a state of crisis in  
3 Hawaii.

4           The legislature further finds that trauma centers are  
5 vitally important. A trauma center is different from other  
6 hospitals because it guarantees immediate availability of  
7 specialized surgeons, anesthesiologists, other physician  
8 specialists, nurses, and resuscitation life support equipment  
9 twenty-four hours a day, seven days a week. The emergency  
10 departments of hospitals that are not designated trauma centers  
11 are staffed by an emergency physician day and night, but they  
12 are not specialized to handle the most severe, life threatening  
13 situations. Highly skilled, quick, and intensive intervention  
14 within the early period of trauma may mean the difference  
15 between life and death.

16           The American College of Surgeons (ACS) noted in its Trauma  
17 System Consultation report that Hawaii's extreme isolation and  
18 limited re-supply capability renders Hawaii uniquely vulnerable



1 to natural disasters that may occur in a mid-Pacific  
2 environment.

3 Injury in the state of Hawaii is the leading cause of death  
4 for persons between the ages of 1 to 44. This is a higher rate  
5 of mortality than deaths caused by cancer and heart disease  
6 combined. This large disparity in the mortality rate  
7 underscores the seriousness of traumatic injury as a public  
8 health problem in the state. When injuries are serious, the  
9 specialized equipment and prompt access to physicians available  
10 in trauma centers can make a significant difference in the  
11 patient's health outcome. Trauma centers have been shown to  
12 reduce preventable deaths by more than twenty per cent as  
13 compared to other hospital care.

14 The Queen's Medical Center (Queen's) has long been  
15 recognized as a statewide destination hospital for critically  
16 ill or injured patients. Over the past twenty years, Queen's  
17 has worked to become a verified ACS Level II trauma center.  
18 Today, Queen's is the only recognized trauma center in Hawaii.

19 As the single definitive trauma care medical center,  
20 Queen's provides care for the vast majority of trauma patients  
21 on Oahu, pediatric and adult, as well as more serious trauma  
22 patients transferred from the neighbor islands. There are no



1 designated trauma centers on any of the neighbor islands.  
2 Currently, 1,500 trauma patients annually receive their care at  
3 Queen's. Transfers to Queen's routinely occur from Oahu and  
4 other islands.

5 Physician availability for care of trauma patients is  
6 lacking or inconsistent in some areas of the State and for some  
7 specialties. This increases the demand for inter-facility  
8 transfers and places additional burdens on the Queen's trauma  
9 center. Sole dependence on Queen's creates a high level of  
10 vulnerability in the event of physical plant failure or overload  
11 from natural and man-made causes.

12 Because of this burden, Queen's is currently operating its  
13 trauma center at a cost of approximately \$29.7 million per year,  
14 and at a loss of approximately \$6 million per year. Queen's  
15 currently has no method for recovering costs associated with the  
16 cost of readiness, idling costs, or opportunity costs associated  
17 with being the only designated trauma center in the State.

18 Queen's accepts all trauma patients without regard for a  
19 patient's ability to pay or type of insurance plan. While  
20 Queen's currently receives federal funding from disproportionate  
21 share hospital (DSH) payments, such payments and other funding  
22 are not enough to ensure the viability of Queen's trauma center.

1 DSH payments are additional payments from the Medicaid and  
2 Medicare programs that help hospitals finance care to low-income  
3 and uninsured patients. DSH payments ensure that communities  
4 have access to high-cost services including trauma care.  
5 However, the DSH payments provided to Queen's, which are  
6 allocated to all areas of the hospital including the trauma  
7 center, are not enough to sustain the trauma center, even after  
8 accounting for all of Queen's other sources of funding.

9 Typically, the cost of running a trauma center is far  
10 higher than the total payments received from patients who are  
11 treated. Queen's incurs high additional costs from having to  
12 pay physician specialists to provide emergency call coverage.  
13 Between 2000 and 2004, thirty trauma centers closed across the  
14 nation as hospitals faced volume increases, higher costs,  
15 liability concerns, and low or no payment for trauma services.  
16 As many as thirty-five per cent of trauma patients in the United  
17 States die because optimal acute care was not available. Should  
18 Queen's trauma center have to close because of these problems,  
19 the State will be without a certified trauma center and the  
20 people of Hawaii will suffer.

21 A weakened trauma center decreases a state's readiness to  
22 respond not only to a normal flow of critically injured patients



1 but to unforeseen disasters and emergencies as well. The tragic  
 2 events of September 11th and Hurricane Katrina illustrate that  
 3 trauma readiness and availability is every bit as important, and  
 4 as much an issue of public safety, as police and fire services.  
 5 Skilled trauma services with the capacity to handle a surge in  
 6 demand are a fundamental necessity in responding to natural and  
 7 man-made disasters.

8 The purpose of this Act is to sustain the trauma care  
 9 resources currently available through DSH funds, by making a  
 10 matching appropriation for the Queen's Medical Center to  
 11 maintain its trauma care center.

12 SECTION 2. (a) There shall be appropriated annually a sum  
 13 not to exceed fifty percent of the amount of disproportionate  
 14 share hospital funds provided to Queen's Medical Center within  
 15 its previous fiscal year, which shall be for the purpose of  
 16 maintaining the trauma center.

17 (b) This section shall be repealed on June 1, 2013, or at  
 18 such time as a certified trauma center is located and operating  
 19 in each of the counties, whichever date is earlier.

20 SECTION 3. There is appropriated out of the general  
 21 revenues of the State of Hawaii the sum of \$ , or so

1 much thereof as may be necessary for fiscal year 2006-2007, for  
2 the Queen's Medical Center to maintain its trauma center.

3 SECTION 4. The sum appropriated shall be expended by the  
4 department of health for the purposes of this Act.

5 SECTION 5. This Act shall take effect on approval;  
6 provided that sections 3 and 4 shall take effect on July 1,  
7 2006.

8

INTRODUCED BY: Suzanne Chun Oakland

Yes Chan Jr

Greg L. Hansen

Rosely de Bak



# SB. NO. 3209

**Report Title:**

Trauma Care; Queen's Medical Center; Health Care

**Description:**

Establishes matching funds to maintain the Queen's Medical Center trauma care center. Makes an appropriation.

