



Thursday, March 27, 2008 – 10:45am  
Conference Room 329

**The House Committee on Human Services & Housing**

To: The Honorable Maile S.L. Shimabukuro, Chair  
The Honorable Karl Rhoads, Vice-Chair

**The House Committee on Health**

To: The Honorable Josh Green, M.D., Chair  
The Honorable John Mizuno, Vice-Chair

From: Venkataraman Balaraman, MBBS  
Division Head, Neonatology, Kapiolani Medical Specialists  
Kapi'olani Medical Center for Women & Children (KMCWC)

Re: **Writing in Strong Opposition to HCR 196**

**REQUESTING THE STATE AUDITOR TO COMMISSION AN INDEPENDENT  
MEDICAL REVIEW OF THE APPROPRIATENESS OF THE CHART-BASED LEVEL  
OF CARE BY ALL MEDICAID PATIENTS WHO ARE NEONATAL OR PEDIATRIC  
INTENSIVE CARE PATIENTS BETWEEN THE YEARS OF 2007 AND 2000.**

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Dear Honorable Committee Chairs and Members:

I am Venkataraman Balaraman, MBBS (KMCWC). KMCWC is the premier hospital in Hawaii that specializes in maternity and infant care, and is the leading Level III tertiary medical facility in the Pacific Rim. More than 44% of all deliveries in the State of Hawaii are performed at KMCWC and over 75% of pre term babies with severe complications receive care at this facility. KMCWC also serves as the teaching hospital for the University of Hawaii, John A. Burns School of Medicine with Residency programs in Obstetrics, Pediatrics and Child Psychiatry.

I respectfully submit this testimony in **Strong Opposition to HCR 196**. We feel that this resolution is not necessary and duplicates review for care that is already in place for neonatal (NICU) and pediatric intensive care (PICU) patients. Kapiolani Medical Center at Women & Children provides care to more than 1250 Neonatal and pediatric intensive care patients annually. Every NICU and PICU patient at KMCWC undergoes a detailed review carried out by both hospital personnel and Medicaid personnel. This review involves:

- Utilization Management review of Medical Necessity for care and level of care evaluation at least three (3) times a week. This process allows third party payers - including Medicaid reviewers - to have access to chart review without any restriction. In general chronic patients are reviewed at least once a week.

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Providing care for these children is an extremely resource intensive activity and involves hospitalization for protracted periods of time. The majority of these patients hospitalized in the Neonatal intensive care unit and Pediatric intensive care unit have multi-system organ dysfunction. Therefore medical care provided at this intensity of service is costly. Patients in these areas often require hospitalizations for greater than 30 days which makes them eligible for Medicaid. An unfortunate percentage of these patients do become permanently medically disabled.

These patients are also afforded an additional level of review as a result of their lengthened hospital stay. Their extended hospital stay automatically qualifies them for a special Medicaid contractually negotiated “outlier” status. This “outlier” status subjects the care of these patients to an even greater level of detailed review of all orders, treatments and interventions and level of care determination.

Thank you for this opportunity to **testify in opposition to HCR 196**. We ask that you hold this resolution from this committee.