

LATE TESTIMONY

**National Kidney Foundation™**
of HAWAII**RE: House Concurrent Resolution 236**

Hearing: Wednesday, March 19, 2008
Conference Room 329
House Committee on Health

Testifying: Glen Hayashida, CEO
National Kidney Foundation of Hawaii

My name is Glen Hayashida, CEO, National Kidney Foundation of Hawaii, and we strongly support HCR 239 requesting the Legislative Reference Bureau to conduct a study on the potential financial and economic impact to the State of Hawaii and the state's healthcare system of providing care for patients with chronic kidney disease at all five stages.

More than 156,000 people in Hawaii suffer from chronic kidney disease and over 2,300 are currently undergoing dialysis treatment. For an estimated 80% of these dialysis patients, Medicare or Medicaid is the primary payer. With this rapid escalation of patients, there is concern for the taxpayers and the state. On a federal level, 6% of the country's Medicare budget is used to treat patients with Stage 5 or end stage renal disease. This study will help assess the financial impact of CKD including dialysis on the state.

In addition, this study will help assess the impact on our healthcare system, including our hospitals. There was a time that hospitals were the providers of dialysis. But hospitals had difficulty staying solvent because they were providing so many other services and it was hard to have a revenue-neutral cost center. As a result, private, free-standing dialysis clinics are providing the majority of dialysis services across the country. Due to reimbursement policies, hospitals today continue to lose money by providing care to patients on dialysis. This has resulted in at least one local hospital attempting to set a cap on the number of acute dialysis patient admissions.

The future impact of CKD and the financing for dialysis is an issue that should concern everyone, since many people have at least one relative suffering from diabetes or high blood pressure, which is a major risk factor for kidney failure.

It is also a problem that will get worse before it gets better. Over the last ten years, the number of CKD patients in the U.S. has increased 30%. It is also expected that here in Hawaii, the number of patients on dialysis will more than double within the next ten years.

I will close by thanking you for these hearings during this legislative session to focus attention on the state government's opportunity to address CKD and its impact on our healthcare system.



St. Francis

HEALTHCARE SYSTEM OF HAWAII
A Legacy of Caring for Hawaii's People

March 19, 2008

Email: HLTtestimony@Capitol.hawaii.gov

Re: **House Concurrent Resolution 239 and House Resolution 202**

Hearing: Wednesday, March 19, 2008; 10:55 a.m.
Conference Room 329
House Committee on Health

On behalf of St. Francis Healthcare System of Hawaii, this testimony is offered in **strong support** of House Concurrent Resolution 239 and House Resolution 202, Requesting the Legislative Reference Bureau to Conduct a Study on the Potential Financial and Economic Impact to the State and the State's Healthcare System of Providing Care for Patients with Chronic Kidney Disease at All Five Stages.

St. Francis is developing a "*Stay Healthy at Home*" program to meet the needs of our expanding older adult population and patients of chronic diseases. The goal is to empower both populations to "stay healthy at home" for as long as possible. The studies show that kidney disease affects 20% of our population. The support of the Legislature to increase community awareness and to study the financial and economic impacts of providing care for patients with chronic kidney disease is vital.

We appreciate the support to make a difference. We look forward to halting the growth trend of kidney disease within our state.

Respectfully,

A handwritten signature in cursive script that reads "Sister Agnelle Ching, OSF".

Sister Agnelle Ching, OSF
Chief Executive Officer

*St. Francis Community Health Services — St. Francis Healthcare Foundation of Hawaii
St. Francis Healthcare Enterprises, Inc. — St. Francis Residential Care Community — Our Lady of Keolu*

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