

**SB 2706**

LATE

Marc Kruger MD  
929 Koaie Street  
Honolulu, Hawaii 96816

Dear Senator Ige and Committee Members:

I urge you to pass Senate Bill 2705 and 2706 supplying much needed funding for Hawaii Medical Center. This institution cares for a disproportionate amount of medicare, medicaid and completely unfunded patients, providing the most charitable care in the entire community. It is the most deserving in the community of tax exemption, despite its classification as a "for profit" hospital. To allow this institution to fail would be doing a great disservice to those in the community who are most in need of medical care.

I urge you to find a way so that it is legislatively reasonable to take the morally correct action.

Sincerely,

  
Marc Kruger

2230 Liliha Street  
Honolulu, HI  
96817

L A T E

Senator David Ige  
Committee for Health  
Hawaii State Legislature

Honorable Senator Ige and Health Committee Members,

As a physician currently practicing in Hawaii Medical Center East, I ask for your favorable consideration of the Bills before your committee, Senate Bills 2705 and 2706.

Although we may not be the largest or busiest Emergency Department, the other medical centers are already under constant strain to provide care for the patients they see. When Queens or any of our medical centers goes on divert, care for the most acutely ill can be compromised. The closure of Hawaii Medical Center East will add to the strain of the system overall and affect care to the most needy patients.

Hawaii Medical Center East may be more widely known as "the old St. Francis, the dialysis hospital, the transplant hospital, or the Catholic hospital," but what we are is an integral part of the community for all of our neighbors. I humbly ask for your consideration of these measures to assist us to continue to do the work that we do.

Respectfully yours,



Valorie Ammann, MD FACEP  
Medical Director Emergency Department  
Hawaii Medical Center East

February 1, 2008

Senator David Ige  
Chairman, Committee of Health  
Hawaii State Legislature

L A T E

Dear Senator Ige,

As you know, the healthcare providers of Hawaii are finding themselves in an ever increasingly difficult and even hostile environment.

Physicians have yet to receive meaningful protection from frivolous lawsuits, reimbursements are less than those on the mainland, expenses are significantly higher and physicians often cope by relocating to the mainland. Under the current conditions our physician shortage is sure to worsen.

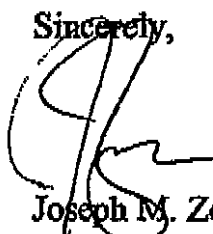
Our hospitals are also in distress. Reimbursements are inadequate and continue to drop while demand continues to grow. Adding to their burden, hospitals are legally compelled to care for all, even those who cannot or will not pay for their services.

Hawaii Medical Center is striving to provide healthcare to all of Hawaii's people in this very difficult environment. We are asking the legislature to not place yet another burden on this institution, the General Excise Tax which, to the best of my knowledge, is not being levied on any other hospital in the state.

PLEASE encourage your committee and fellow legislators to support the proposed bills which are so vital to the survival of the Hawaii Medical Centers.

Thank you for your consideration.

Sincerely,



Joseph M. Zobian, M.D.  
Zobian Eye Clinic  
94-307 Farrington Highway, Suite B7a  
Waipahu, Hawaii 96797  
808-678-0622



**MCMANN EYE**

I N S T I T U T E

**Michael A. McMann, MD, LLC**

Board Certified Ophthalmologist

Fellowship Trained Surgeon

Cornea & Refractive Surgery

**L A T E**

Jan 31<sup>st</sup>, 2008

Aloha Senator Ige,

I'm writing you to personally ask for your support for Senate Bill's 2705 & 2706. These bills are vital to the future viability of Hawaii Medical Center. I'm one of the investors at HMC and I just opened up a brand new practice associated with Hawaii Medical Center West. I'm not a "greedy" doctor and in fact have not broken even as of yet in my new practice which was just founded late last spring. I've been working my tail off for the past 7 months, yet I'm still living off of my wife's salary. While many physicians are leaving the state for greener pastures on the mainland, I'm a physician who is struggling to add a new practice to the state. If HMC were to go under, it would not only have a great negative effect in my belief on the community, but it would be financially devastating to myself and my new practice as it struggles to get off the ground. Please don't allow this to happen.

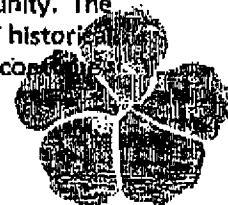
As part of this letter I'm including the "talking points" provided to us by our senior leadership at HMC. I hope you don't mind. I do believe everything that is stated within it very strongly. As an aside that is not mentioned in the below "talking points," I believe that passing Senate Bill's 2705 & 2706 would be budget neutral for the state as the state was not getting any GET revenue from the hospitals anyway when they existed as St. Francis East & West. Does the state really need the extra revenue at the expense of what might be the final nail in the coffin of HMC? I'm sure there are several major entities in the state not interested in competition who would like to see that happen, but I implore you as a state senator in charge of looking after the greater public good, please don't allow this to happen.

The rest of this letter consists of the "talking points" provided by HMC.

HMC is making great strides toward sustainable financial viability and medical excellence. Reasonable action by the Legislature will help ensure HMC remains an important part of Hawaii's healthcare system. HMC does not seek a hand out from the Legislature, but rather an investment. Given the important role HMC plays in the delivery of medical care to our community, it is proper for the Legislature to approve a public investment in HMC's future. The return on such an investment will benefit the entire state.

In January 2007, more than 100 local physicians partnered with a top mainland hospital operator, Cardiovascular Hospitals of America, to form Hawaii Medical Center and purchase St. Francis Hospitals, thereby saving them from financial collapse.

When HMC assumed responsibility for the hospitals, they were losing approximately \$1 million per month, largely because they treated many of the most sick and needy patients in our community. The local physicians who banded together to save St. Francis did so in order to ensure St. Francis' historical commitment to treating those who are poor, uninsured or on public health programs would continue.



**MCMANN EYE**

I N S T I T U T E

**Michael A. McMann, MD, LLC**

Board Certified Ophthalmologist

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HMC has taken great risks made extremely hard decisions to save the hospitals for the benefit of the community. Physicians risked their own funds. Restructuring was necessary to keep the hospitals open, and friends, colleagues and co-workers lost jobs. We must not allow these difficult decisions to have been in vain.

If HMC were not to succeed – the community would suffer. About 70% of HMC's patients are on Medicare or Medicaid, a much higher proportion than other major hospitals on Oahu. In addition, HMC operates the only organ transplant center in the Pacific; provides acute dialysis care to a large percentage of our island's renal patients; and operates the only full-service hospital in West Oahu.

With appropriate support, HMC's prospects for success are excellent. HMC's business model, which includes local physician ownership and a nurse-rich, nurse-empowered treatment environment, offers a new formula for solving acknowledged problems confronting Hawaii's health care system. HMC's organizational model makes it innovative and resilient, and our higher nurse-to-patient ratios are beginning to produce better patient outcomes.

With Sincerest Mahalo,

Michael A. McMann, MD



February 1, 2008

L A T E

The Honorable Senator Ige  
The State Capitol  
Honolulu, Hawai'i 96813

Re: SB Nos. 2705 and 2706

Dear Senator Ige and Committee Members:

I am writing to ask you to support the above-referenced legislation.

I am a practicing physician with an office in Aina Haina, Honolulu. I am concerned regarding the possible closing or downsizing of Hawaii Medical Center (formerly St. Francis Medical Center). It is my understanding that the Medical Center has been losing money since the take over. Even though I can admit my patients to Queen Medical Center or Kuakini Medical Center, it is not uncommon that those hospitals are "closed" because there is no available beds, usually due to lack of nursing staff.

Hawaii has one of the lowest Medicare reimbursement rates of any state – 37% lower than the average on the mainland – even though costs to deliver care in Hawaii are among the highest in the nation. In addition, Hawaii Medical Center has been providing care to a large portion of patients covered by the medicaid and medicare fundings in Hawaii. In addition, many patients come from the neighboring islands because of there is no tertiary care facility there.

I believe SB 2705 and SB 2706 can help and assist the Medical Center so that it can recover financially and can then continue to serve the people of Hawaii.

Please help and support of the passage of SB 2705 and SB 2706. Thank you for your consideration!

Very truly yours,  
James Lumeng, MD  
Jmlumeng@hawaiiantel.net