

SCR 122

Testimony of
John M. Kirimitsu
Legal and Government Relations Consultant

Before:
Senate Committee on Health
The Honorable David Y. Ige, Chair
The Honorable Josh Green, M.D., Vice Chair

March 19, 2010
3:00 pm
Conference Room 016

Re: SCR 122 Requesting The Hawaii State Legislature To Convene A Hawaii Health Care Summit To Develop A Strategic And Comprehensive Plan For Health Care In Hawaii.

Chair Ige, Vice Chair Green, and committee members, thank you for this opportunity to provide testimony on SCR 122.

Kaiser Permanente supports this bill.

Kaiser Permanente appreciates the Legislature's efforts to convene a Hawaii Health Care Summit to develop a strategic and comprehensive health care plan in Hawaii.

Kaiser Permanente recognizes the need for a collaborative effort from all health care stakeholders to successfully reform and improve Hawaii's health system. As the State's largest health maintenance organization (HMO), Kaiser Permanente would like to participate in this common goal by sharing a unique perspective to Hawaii's health insurance needs, as compared to traditional fee-for-service or preferred provider organization plans. Given that Kaiser Permanente's integrated managed care model is comprised of three distinct entities – the health plan, the hospital, and the medical group, Kaiser Permanente believes it can offer valuable insight into the complex integrated HMO model to assist the Hawaii Health Care Summit in evaluating health care performances in Hawaii.

Thank you for your consideration.



SENATE COMMITTEE ON HEALTH
Senator David Ige, Chair

Conference Room 016
March 19, 2010 at 3:00 p.m.

Supporting SCR 122.

The Healthcare Association of Hawaii represents its member organizations that span the entire spectrum of health care, including all acute care hospitals, as well as long term care facilities, home care agencies, and hospices. Thank you for this opportunity to testify in support of SCR 122, which asks the Legislature to convene a Hawaii Health Care Summit to develop a comprehensive strategic health care plan for Hawaii.

Hawaii should be proud of having a health care system that is among the best in the nation. Furthermore, many people have easy access to quality health care, as only 10% of the population is uninsured, one of the lowest uninsured rates in the nation. However, despite all of its advantages, Hawaii cannot escape from national conditions and trends, and Hawaii's health care system has shortcomings that must be addressed.

Despite Hawaii's low uninsured rate, there are still too many people who are uninsured. Uninsured people tend to forego treatment for medical conditions because medical care is often expensive. When they receive care, they may not be able to pay for it, and as a result hospitals in particular incur high levels of uncompensated care. In many cases government programs such as Medicare and Medicaid underpay providers so that payments are below the actual costs of care. As a result, private insurance premiums are set at artificially high levels since providers must make up revenue shortages associated with government programs. Information technology can be used to enable different providers to share records of a particular patient, to improve the quality of care, and to reduce costs. But standard formats for inputting data must be developed, and new information systems are expensive.

Every health care issue has different perspectives, depending on whether the issue is being perceived by a provider, an insurer, a consumer, a government agency that funds health care, an educator, or an agency that sets public policy. SCR 122 calls for a health care summit composed of representatives of all relevant stakeholders. The summit will develop a strategic plan that addresses specific issues and submit a report to the Legislature. The Auditor will use the information in the report to develop a health care plan for Hawaii.

The Healthcare Association is named as a member of the summit, and we embrace the opportunity to engage with others in helping to develop a health care plan that will improve access to quality care for all of Hawaii's residents.

For the foregoing reasons, the Healthcare Association of Hawaii supports SCR 122.



Hawai'i Primary Care Association

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To: **The Senate Committee on Health**
The Hon. David Y. Ige, Chair
The Hon. Josh Green, MD, Vice Chair

Testimony in Support of SCR 122
Requesting the Hawaii State Legislature to Convene a
Hawaii Health Care Summit to Develop a Strategic and
Comprehensive Plan for Health Care in Hawaii

Submitted by Beth Giesting, CEO
March 19, 2010, 3:00 p.m. agenda, Room 016

The Hawai'i Primary Care Association strongly supports this resolution and looks forward to participating in a Hawai'i Health Care Summit. This is a very timely and important proposal since significant change in health care is happening across the state and our nation. Hawai'i has been an innovator in health coverage and can now be a model to revolutionize the health care delivery system to emphasize patient-centered primary care, appropriate use of health information technology, changing roles for hospitals, and strategies for more abundant home-based long-term care.

Thank you for the opportunity to support this measure.

HMSA



Blue Cross
Blue Shield
of Hawaii

An Independent Executive of the Blue Cross and Blue Shield Association

March 19, 2010

The Honorable David Ige, Chair
The Honorable Josh Green M.D., Vice Chair
Senate Committee on Health

Re: SCR 122 – Requesting the Hawaii State Legislature to Convene a Hawaii Health Care Summit to Develop a Strategic and Comprehensive Plan for Health Care in Hawaii

Dear Chair Ige, Vice Chair Green and Members of the Committee:

We appreciate the intent of SCR 122 to gather together key stakeholders from across the health care community in order to develop a comprehensive plan to shape the future of health care in Hawaii. As national health care reform seems to be back on track, convening a summit to explore local health care issues could assist with any planning that is necessary in conjunction with federal legislation.

While the language in SCR 122 is thorough and direct we would like to propose one small addition to the makeup of the individuals participating in the summit. Page 3, line 15 mentions that “local business interests” should be included in the makeup of Summit participants but in the members which are listed, there does not seem to be any representation from the business community. Given the impact of Hawaii’s Prepaid Health Care Act on businesses in Hawaii we would respectfully request the following be added to the summit participants on page 4, line 15:

(14) Two members of the Chamber of Commerce of Hawaii representing both small and large businesses in Hawaii

We believe this addition will add value to the Summit. We look forward to working with all health care stakeholders in the community as we shape Hawaii’s health care future. Thank you for the opportunity to testify today.

Sincerely,

Jennifer Diesman
Vice President
Government Relations



HAWAII MEDICAL ASSOCIATION

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Friday, March 19, 2010, 3:00 pm, Conference Room 016

To: COMMITTEE ON HEALTH
Senator David Y. Ige, Chair
Senator Josh Green, M.D., Vice Chair

From: Hawaii Medical Association
Gary A. Okamoto, MD, Legislative Co-Chair
Linda Rasmussen, MD, Legislative Co-Chair
April Donahue, Executive Director
Lauren Zirbel, Government Affairs
Dick Botti, Government Affairs

RE: SCR 122
REQUESTING THE HAWAII STATE LEGISLATURE TO CONVENE A HAWAII HEALTH CARE
SUMMIT TO DEVELOP A STRATEGIC AND COMPREHENSIVE PLAN FOR HEALTH CARE IN
HAWAII.

In Support if Amended

Chairs & Committee Members:

Hawaii Medical Association supports the intent of SCR 122 as a measure to help provide a comprehensive plan for the future of health care in Hawaii. However, it is necessary that representatives from Hawaii Medical Association and the Hawaii Nursing Association be included on the task force to ensure representation of a variety of providers.

Thank you for the opportunity to testify.

OFFICERS

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Hawaii Association of Health Plans

March 19, 2010

The Honorable David Ige, Chair
The Honorable Josh Green M.D., Vice Chair

Senate Committee on Health

Re: SCR 122 – Requesting the Hawaii State Legislature to Convene a Hawaii Health Care Summit to Develop a Strategic and Comprehensive Plan for Health Care in Hawaii

Dear Chair Ige, Vice Chair Green and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of seven (7) member organizations:

AlohaCare
Hawaii Medical Assurance Association
HMSA
Hawaii-Western Management Group, Inc.

MDX Hawai'i
University Health Alliance
UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to testify in support of SCR 122 which would convene a Health Care Summit (Summit) to develop a comprehensive plan for health care in Hawaii. During the previous legislative session, when this initiative was being discussed, HAHP was extremely supportive. We believe that even if health care is passed at the federal level, there will be much work to be done locally to determine how it will fit in with Hawaii's current health care system.

We noted SCR 122 calls for the appointment to the Task Force of the President of the Healthcare Association of Hawaii. We respectfully suggest that similar courtesy be given to the Hawaii Association of Health Plans. We urge the Committee to pass SCR 122 and look forward to working toward improving the quality of care for our entire community.

Thank you for the opportunity to testify today.

Sincerely,

Howard Lee
President



**HAWAII
LONG
TERM
CARE
ASSOCIATION**

To: Chair David Ige and Members of the Senate Committee on Health

For hearing on: Friday, March 19, 2010

From: Bob Ogawa, President, Hawaii Long Term Care Association

Re: SCR 122 -- Convening a Hawaii Health Care Summit

The Hawaii Long Term Care Association (HLTCA) wholeheartedly supports SCR 122. We have long held that Hawaii needs to develop and implement a much more comprehensive State strategy to best deal with the health care needs of our people, the sufficiency of the infrastructure that provides that care, the adequacy of reimbursements and scores of other vital issues.

We are also very pleased to note that a critical component of the Summit's agenda is long term care. In that regard, we would request that the HLTCA be added to the list of named Summit members.

HLTCA's membership comprises thirty (30) facilities, with a total of 3,000 beds (including 1,700 ICF/SNF/subacute), representing more than half of all non-hospital-based nursing home beds in Hawaii, eight (soon to be nine) of the eleven assisted living facilities in the State, all continuing care retirement communities and 235 Type II Adult Residential Care Home beds. Our members also provide a host of other services, including: adult day care/ day health, home care/home health, respite, hospice, dialysis, physical/occupational/speech therapy, meals delivery, doctors home visits, chore services and more.

As such, we believe that the HLTCA would be a substantially contributing partner in the effort and ask that we be included as a designated member.

Thank you for the opportunity to present our views on this proposal.

Testimony to the Hawaii State Legislature, 2010

Testimony of Kelley Withy, President of Hawaii State Rural Health Association

The Hawaii State Rural Health Association would like to express our strongest support for SCR 122 and 146 regarding health care.

3/2010

The Hawaii State Rural Health Association would like to express our strongest support for SCR122 and SCR146. We have conducted published research on the rural health care needs across the State and found that while all communities are unique, there are some themes that are common throughout the state. Needs that are commonly identified in our rural and underserved communities include:

1. Financial assistance (insurance coverage, medication, free services)
2. Expanding services that are available to rural communities (including telehealth, CHCs, community services)
3. Improving access to available services (Long term care, primary care, specialty care, mental health care, substance abuse treatment, health care training and other services)
4. Decreasing drug use
5. Increasing health education and training opportunities for community members
5. Increasing the number of health care providers working in rural areas
6. Increasing cultural sensitivity of providers

The most recent assessment of physicians in the State of Hawaii performed by my office at JABSOM estimates that we have 500 providers less than we need to meet the demand estimated by population mix. Furthermore, this deficit may grow to 1,500 providers by 2020 if no action is taken. There are many actions that must be taken to meet the growing demand for health care providers and SCR 122 and SCR 146 are the first steps.

We would like to volunteer to provide a member to participate in these activities that represents the Hawaii State Rural Health Association and who can speak to the specific needs of rural communities in Hawaii.

Mahalo for your consideration.

Sincerely,
Kelley Withy, MD, PhD
President, Hawaii State Rural Health Association

Kelley Withy, MD, PhD
571 Kaimalino St.
Kailua, HI 96734

Testimony in support of SCR 122 and SCR 146 regarding health

3/10

As a physician workforce researcher I offer my strongest support for this bill, and commend you on introducing it. Currently in Hawaii we have 500 fewer physicians than we are estimated to need, so many patients go without care. If we don't do anything to change the situation, we are estimated to be 1,100 to 1,500 physicians short by 2020 due to aging and population growth, retirements and attrition.

I have performed numerous focus groups across the state with physicians, business leaders, administrators and medical students. There are things that can be done by all sectors of society to help meet the physician demand, and I am happy to share this data with a task force and at a summit. For example, demand can be reduced by developing a team approach to care and implementing effective disease-management programs. Increasing supply can be achieved through expanded training, coordinated recruitment and retention with community input and focused attention on the physician practice environment. Sharing the burden between the medical sector, the community, industry and government, offers the best chance of success for systematically meeting the provider shortage challenges.

Thank you for considering this important topic.

Sincerely,



Kelley Withy, MD, PhD



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March 19, 2010

To: The Honorable David Y. Ige
Chair, Senate Committee on Health

From: 'Ohana Health Plan

Re: Senate Concurrent Resolution 122-Requesting the Hawai'i State Legislature to
Convene a Hawai'i Health Care Summit to Develop a Strategic and
Comprehensive Plan for Health
Care in Hawai'i

Hearing: Tuesday, March 16, 2010, 9:30 a.m.
Hawai'i State Capitol, Room 329

Since February 2009, 'Ohana Health Plan has provided services under the Hawai'i QUEST Expanded Access (QExA) program. 'Ohana is managed by a local team of experienced care professionals who embrace cultural diversity, advocate preventative care and facilitate communications between members and providers. Our philosophy is to place members and their families at the center of the health care continuum.

'Ohana Health Plan is offered by WellCare Health Insurance of Arizona, Inc. WellCare provides managed care services exclusively for government-sponsored health care programs serving approximately 2.3 million Medicaid and Medicare members nationwide. 'Ohana is able to take the national experience in providing an 'Ohana care model that addresses local members' healthcare and health coordination needs.

We appreciate this opportunity to submit testimony in support of SCR 122- Requesting the Hawai'i State Legislature to Convene a Hawai'i Health Care Summit to Develop a Strategic and Comprehensive Plan for Health Care in Hawai'i.

It is imperative that Hawai'i's residents have access to quality, affordable healthcare through a strong and sustainable system. Convening this summit will be a positive and constructive step to help leaders explore options available to meet financial and other challenges facing Hawai'i.

'Ohana appreciates the leadership of the Legislature in making healthcare in Hawai'i a priority. We look forward to working with the Legislature as a partner in finding solutions. Thank you for the opportunity to submit testimony in support of SCR 122.

HAWAII DISABILITY RIGHTS CENTER

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THE SENATE THE TWENTY-FIFTH LEGISLATURE REGULAR SESSION OF 2010

Committee on Health Testimony in Support of SCR 122 Friday, March 19, 2010, 3:00 P.M. Conference Room 016

Chair Ige and Members of the Committee:

I am Louis Erteschik, Staff Attorney at the Hawaii Disability Rights Center, and am testifying in support of the intent of this Concurrent Resolution.

We have had a long interest in the issue of waitlisted patients and have been very supportive of efforts to secure community placements on their behalf. The Healthcare Association has stated that there are such patients who are ready for discharge and for whom placements have been identified, but who cannot be discharged because they are not competent to consent to the new placement. In those cases, guardianship is being pursued to effectuate those placements. In that context, we certainly support measures to streamline the process.

We do, however, need to express some concerns regarding our direct experience with hospitals that were pursuing guardianships. In the past, hospitals have done so for the purpose of having guardians appointed merely to consent to out of state transfers, to which the patient was otherwise opposed. We certainly would not support streamlining the process in such a scenario, and would hope that any resulting changes which came from this Resolution would apply only to transfers to which the patient was in support.

We also recently represented a patient at a hospital that was pursuing an involuntary guardianship for a woman who was competent. She was ready to be discharged and wanted to be discharged but the hospital refused to allow her to leave, because of liability concerns. We were eventually successful in convincing them to dismiss the petition. However, it demonstrated to us the degree to which imposition of a guardianship is an infringement of a person's liberty. We certainly hope that any

streamlining which occurs in the process does not come at the expense of protecting the legal rights of these individuals.

Thank you for the opportunity to testify in support of this measure.