

# HMSA



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**LATE  
TESTIMONY**

February 9, 2011

The Honorable Josh Green, M.D., Chair  
The Honorable Clarence Nishihara, Vice Chair  
Senate Committee on Health

**Re: SB 798 – Relating to Health Care**

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 798 which would expand the definition of “quality assurance” to include interdisciplinary quality assurance committees composed of members from various health care organizations.

In the U.S., medical errors are estimated to result in 44,000 to 98,000 unnecessary deaths, in hospital settings, and 1,000,000 excess injuries each year. A conservative average of both the Institute of Medicine and HealthGrades reports indicates that there have been between 400,000-1.2 million error-induced deaths during 1996–2006 in the United States. Research has documented significant underuse, overuse, and misuse of medical treatments, as well as unexplained variations in treatment patterns in certain demographic groups and across the country.

HMSA has taken great strides towards encouraging providers and facilities to increase the quality of care provided. One of the ways which we are doing this is by pursuing a new methodology of provider reimbursement that rewards health care providers for quality rather than volume. We believe that transitioning to this new payment model and away from simply paying for services based on volume is a vital part of creating an economically sustainable health care delivery system.

We appreciate the intent of this measure as it attempts to work towards expanding and improving upon current quality initiatives taking place across the state. Thank you for the opportunity to provide testimony in support of SB 798.

Sincerely,

Mark K. Oto  
Director  
Government Relations