



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Everyday"

**House Committee on Health
Representative Ryan I. Yamane, Chair
Representative Dee Morikawa, Vice Chair**

March 27, 2012 9:00 a.m.
Conference Room 329
Hawaii State Capitol

Testimony Opposing HCR 52 / HR 31, Requesting the Hawaii Health Systems Corporation to implement the collaboration of community hospitals with community health centers, and to develop a plan to integrate certain rural hospitals with federally-qualified health centers.

Bruce S. Anderson, Ph.D.
President and Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC), thank you for the opportunity to present testimony in opposition to this resolution.

The resolution has two parts: first, it requires collaboration between the community health centers and HHSC's rural hospitals. Secondly, it requires HHSC to submit to the legislature a plan to "integrate" HHSC's seven critical hospitals into federally-qualified health centers (FQHCs).

As to the first part, there is already a statutory mandate that HHSC collaborate with the community health centers. The law is quoted in the resolution (HRS 323F-25). Therefore, a resolution to that effect is not needed.

In addition, HHSC does collaborate with the community health centers. There are FQHCs on several of our campuses. The FQHCs located on the neighbor islands admit patients to our facilities and there are various agreements between the clinics and the hospitals to provide coverage. Discussions among the hospital administrators and the FQHCs are ongoing in order to determine the needs of the communities. We are looking at other ways to collaborate, such as, a possible contract between the FQHC on Kauai with our Kauai facilities to jointly recruit and pay for another physician. HHSC will submit a report to the legislature about the current collaboration efforts, if requested.

As to the second part of the resolution requiring HHSC to submit a plan for "integration" of our critical access hospitals into the FQHCs, HHSC strongly objects. It is not clear what is meant by "integrate". Does this mean change the governance structure? Or,

change the ownership structure? The first part of the resolution and existing law already requires collaboration so the "integration" into the FQHCs must mean something additional, but it is not clear what is intended. It is unknown whether an FQHC can actually own and operate a hospital, if that is the intent. An amendment to H.R.S. chapter 323F, the HHSC enabling law, would be needed to accomplish a structural change of this magnitude.

We respectively recommend that the Committee defer this measure. Thank you for the opportunity to testify.

morikawa2 - Grant

From: mailinglist@capitol.hawaii.gov
Sent: Sunday, March 25, 2012 9:39 PM
To: HLTtestimony
Cc: jorywatland@att.net
Subject: Testimony for HCR52 on 3/27/2012 9:00:00 AM

Testimony for HLT 3/27/2012 9:00:00 AM HCR52

Conference room: 329
Testifier position: Support
Testifier will be present: Yes
Submitted by: Jory Watland
Organization: Hawaii Health Authority
E-mail: jorywatland@att.net
Submitted on: 3/25/2012

Comments:

Chair Yamane, Vice Chair Morikawa and members of the Health Committee:

My name is Jory Watland and I am a Member of the Hawaii Health Authority Board. I urge your full support for this resolution.

In recent years rural hospitals have had an increasingly difficult time staffing their facilities with adequate staff, especially physicians. At the same time Federally Qualified Health Centers have expanded their footprint to now include each of the Hawaiian Islands, bringing with their presence additional physicians, dentists, nurses, health aides, and administrative staff.

By building a more collaborative relationship between the hospitals and health centers more people will be afforded more comprehensive services and the duplication of staff functions can save significant financial resources.

The State of Hawaii will be well served by uniting the efforts of Community Health Centers and Hospitals of HHSC.

The passage and implementation of this resolution will enable the State to begin the process of providing universal health care for all residents of Hawaii - the goal established by the Legislature in 2009 for the Hawaii Health Authority.