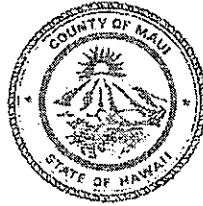


TESTIMONY

SB2935

**HTH, WAM
Committee Hearing
02/15/2012**

ALAN M. ARAKAWA
MAYOR



200 South High Street
Wailuku, Hawai'i 96793-2155
Telephone (808) 270-7855
Fax (808) 270-7870
e-mail: mayors.office@mauicounty.gov

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

TO: The Honorable Josh Green, M.D., Chair
The Honorable Clarence K. Nishihara, Vice Chair
Honorable Members of the Senate Committee on Health

FROM: Alan Arakawa, Mayor *aa*
County of Maui

HEARING: Senate Committee on Health
Wednesday, February 15, 2012
Conference Room 229

SUBJECT: **TESTIMONY OF MAUI COUNTY MAYOR ALAN ARAKAWA IN SUPPORT OF SB2935, RELATING TO HEALTH CARE COORDINATION**

Thank you for this opportunity to testify in strong support of **SB2935**, which proposes to establish a public-private partnership between Maui Memorial Medical Center and Hale Makua Health Services to research, facilitate, develop, and implement a model and system of collaborative health care delivery in Maui County.

My administration supports this measure for the following reasons:

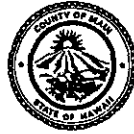
1. We understand that Maui's population is rapidly growing, yet the island has limited health care infrastructure. The existing health care in Maui County is fragmented and comprised of independent providers with little coordination. This lack of coordinated care results in an inefficient delivery system across the continuum of care.
2. Post acute-care options on Maui are limited, making it challenging for families needing such care but have limited resources.
3. These challenges in Maui County relating to coordination and health care delivery at multiple levels of care have risen to near, or at, crisis levels. An immediate and bold response is necessary so that the current crisis is not exacerbated.
4. A poor payer mix makes it difficult for healthcare facilities to be financially viable. This proposed partnership would strengthen both, while providing access to much-needed health services for Maui County's people.

For these reasons, my administration and I strongly support HB2935.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Balsa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov/council

February 13, 2012

The Honorable Josh Green, M.D., Chair
Senate Committee on Health
Hawaii State Capitol, Conference Room 229
Honolulu, Hawaii 96813

Dear Chair Green:

**Re: Testimony in Support of SB 2935 relating to Health Care Coordination
(Public Hearing on February 15, 2012 at 3:30 pm in Conference Room 229)**

As the Lana'i member on the Maui County Council, I would like to offer testimony in support of SB 2935. This measure establishes a public-private partnership in a county with a population between 100,000 and 170,000; partnership to develop an integrated system to deliver health care across the spectrum of care; partnership to work at addressing the current crisis in acute care.

The proposed measure would enable public-private partnerships to better utilize facilities and staff in serving the post-acute care needs of Maui County residents in a financially sustainable manner. Times have changed in the health care industry in Maui County with a growing elderly population, reduction in Medicaid reimbursements, and fluctuations in the economy and employment. The proposed measure would benefit island communities like Lana'i with limited health care services and facilities by providing our residents with options for post-acute care services on neighboring Maui.

Thank you for the opportunity to offer this testimony in support.

Sincerely,

A handwritten signature in black ink, appearing to read "Riki Hokama".

Riki Hokama, Councilmember- Lana'i

cc: Council Chair Danny Mateo

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White

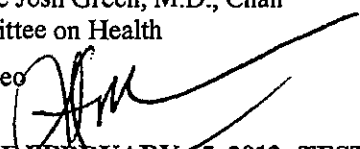


Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov/council

February 10, 2012

TO: The Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Danny A. Mateo
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 15, 2012; TESTIMONY IN SUPPORT OF SB 2935,
RELATING TO HEALTH CARE COORDINATION**

Thank you for the opportunity to testify in support of this important measure. The purpose of this measure is to establish a public-private partnership between Maui Memorial Medical Center and Hale Makua Health Services to develop an integrated system to deliver health care across the spectrum of care in Maui County.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. Maui Memorial Medical Center has maintained a steady wait-list of 20-45 patients for the past several years. If these patients could be discharged to Hale Makua Health Services, they would receive the appropriate level of care and free up hospital beds for acute-care patients.
2. The proposed partnership would provide long-term stability for Maui's health-care infrastructure in a cost-effective way, while creating synergy and opportunities for growth between the two health-care organizations.
3. Providing for Maui's future long-term care needs now will prevent a health-care crisis in the future.

For the foregoing reasons, I support this measure.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.maui-county.gov/council

February 13, 2012

TO: Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Robert Carroll
Council Member, East Maui

A handwritten signature in black ink that reads "Robert Carroll".

DATE: Wednesday, February 15, 2012

SUBJECT: **SUPPORT SB 2935, RELATING TO HEALTH CARE COORDINATION**

I support SB 2935 for the reasons cited in testimony submitted by the Maui County Council Chair, and urge you to support this measure.

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

February 14, 2012

TO: Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Joseph Pontanilla, Council Vice-Chair *Pontanilla*

DATE: Wednesday February 15, 2012

SUBJECT: **SUPPORT OF SB 2935, RELATING TO HEALTH CARE COORDINATION**

Thank you for the opportunity to testify in support of this measure. I provide this testimony as an individual member of the Maui County Council.

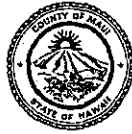
I support SB 2935 for the reasons cited in testimony submitted by Maui County Council Chair Danny A. Mateo and urge you to support this measure.

12:02:14:kbm/JP: SB 2935

Council Chair
Danny A. Mateo

Vice-Chair
Joseph Pontanilla

Council Members
Gladys C. Baisa
Robert Carroll
Elle Cochran
Donald G. Couch, Jr.
G. Riki Hokama
Michael P. Victorino
Mike White



Director of Council Services
Ken Fukuoka

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

February 14, 2012

TO: Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Robert Carroll
Council Member, East Maui

A handwritten signature in cursive script that reads "Robert Carroll".

SUBJECT: **HEARING OF FERUARY 15, 2012; TESTIMONY IN SUPPORT OF SB 2935 ,
RELATING TO HEALTH CARE COORDINATION**

I SUPPORT SB 2935 for the reasons cited in testimony submitted by the Maui County Council Chair, Danny Mateo and urge you to pass this measure.



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

"Touching Lives Every Day"

Senate Committee on Health
Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair

February 15, 2012
Conference Room 299, 3:30 p.m.
Hawaii State Capitol

Testimony Supporting SB 2935, Relating to health care coordination. Establishes a public-private partnership in a county with a population between 100,000 and 170,000; partnership to develop an integrated system to deliver health care across the spectrum of care; partnership to work at addressing the current crisis in acute care.

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

Thank you for the opportunity to testify in support of SB 2935.

Maui Memorial Medical Center (MMMC) and Hale Makua Health Services (Hale Makua) have been core providers of health services for Maui County for more than 60 years. MMMC provides acute care hospital services on Maui with a license for 213 beds. MMMC provides full acute hospital services, including the only cardiology program outside of Oahu. With the only other Maui acute care at Kula, a critical access hospital with 4 licensed beds, it is imperative that MMMC's beds and emergency department maintain a level of readiness for the vast majority of the admissions and emergencies that occur on the island.

Unfortunately, MMMC has had a long standing wait list problem, which is a major issue, both financially and due to quality of care concerns. A patient in an acute care bed who needs long term care, for example, will not be able to set up residence in the long term care unit where the resident can participate in social activities, obtain rehab services, and be afforded other privileges that residents of nursing homes enjoy. For this basic reason, a patient being in an acute setting for a long period of time, when he or she is not acutely ill, is simply not healthy.

MMMC presently has a large waitlist population. In December, 2011, there were on average 36 non-acute patients assigned to acute care medical/surgical beds. This is

3675 KILAUEA AVENUE • HONOLULU, HAWAII 96816 • PHONE: (808) 733-4020 • FAX: (808) 733-4028

extremely significant because out of 140 (plus 12 overflow) med/surg beds, it amounts to almost one-third of total census. Additionally, there were several people in the emergency department (ED) waiting for beds. If a big accident had occurred on the island, the ED would have had trouble handling it because the ED bays were filled with patients who needed inpatient beds. Therefore, the waitlist problem has a great impact on patient care at the acute end of the scale, as well. The problem also creates a financial burden, with an estimated \$20 million dollars lost per year due to low or no reimbursement to MMMC for the care given to the waitlisted patients.

Hale Makua, located on Maui, is licensed for a total of 344 beds in two facilities for skilled nursing and intermediate care nursing services (long term care). Integrated with its nursing home services are home health, rehabilitation and adult day health programs. Hale Makua is currently challenged with an unprecedented number of empty beds.

Therefore, the two entities have entered into discussions to explore opportunities for collaboration. The two entities will look for ways to create operational synergies, and cost efficiencies, which will ultimately benefit Maui County residents. The discussions, which will take place over the next several months, are preliminary, and specific details will need to be developed during this time.

This bill is instrumental in supporting the collaboration, which has become an important and effective way to address challenges arising from changes in the health care industry. The opportunity to develop innovative partnerships will enable us to better serve the community and expand health care options for residents.

Thank you for the opportunity to testify before this committee.

Testimony in Support of SB2935 – Relating to Health Care Coordination

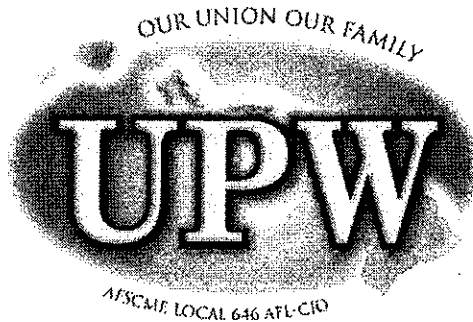
My name is Roy Sakamoto and I am Chairman of the not for profit Hale Makua Board of Trustees which wholeheartedly support Senate Bill 2935. As you are being made aware of, there is currently a crisis of limited post acute care options on Maui; there is a payer mix which is disproportionately weighted towards Medicaid, which does not cover our actual costs of care; and inadequate physician coverage to admit and discharge patients. Both Hale Makua and the Maui Memorial Medical Center have a history of serving Maui County residents for over 60 years and mutually share the goal of achieving operational synergies and cost efficiencies that will address this crisis and benefit both organizations which will lead to huge benefits for Mauians in the continuum of care for our residents. We urge your support of this bill.

Testimony in Support of SB2935 - Relating to Health Care Coordination

My name is Glenn Hamai. I am a member of the Health Makua Health Services Board of Directors, which supports Senate Bill 2935. Hale Makua Health Services (Hale Makua) and Maui Memorial Medical Center (MMMC) have been very successful in serving the residents of Maui county for over 60 years. There is a current crisis of limited post-acute care options on Maui; payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. Both organizations have the goal of achieving operational synergies and cost efficiency that will address this crisis and benefit both organizations, which in turn benefits the residents of Maui. To realize an effective partnership to resolve this crisis requires support from the State of Hawaii.

Testimony in Support of SB2935 - Relating to Health Care Coordination

My name is Kathleen Deknis. I am a member of the Health Makua Health Services staff and I support Senate Bill 2935. Hale Makua Health Services (Hale Makua) and Maui Memorial Medical Center (MMMC) have been very successful in serving the residents of Maui county for over 60 years. There is a current crisis of limited post-acute care options on Maui; payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. Both organizations have the goal of achieving operational synergies and cost efficiency that will address this crisis and benefit both organizations, which in turn benefits the residents of Maui. To realize an effective partnership to resolve this crisis requires support from the State of Hawaii.



THE HAWAII STATE SENATE
The Twenty-Sixth Legislature
Regular Session of 2012

COMMITTEE ON HEALTH

The Honorable Sen. Josh Green, M.D., Chair
The Honorable Sen. Clarence K. Nishihara, Vice Chair

DATE OF HEARING: Wednesday, February 15, 2012
TIME OF HEARING: 3:30 p.m.
PLACE OF HEARING: Conference Room 229

TESTIMONY ON SB 2935 RELATING TO HEALTH CARE COORDINATION

By DAYTON M. NAKANELUA,
State Director of the United Public Workers,
AFSCME Local 646, AFL-CIO ("UPW")

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

UPW supports SB 2935 that establishes a public-private partnership to research, facilitate, develop, and implement a model and system of collaborative health care delivery in a county with a population between 100,000 and 170,000 that moves patients, including acute care patients, throughout the continuum of care efficiently, appropriately, and cost effectively.

With our ever-growing need for acute care, this would be a viable way to continue long-term care and enhance the quality of patient care for Maui's elderly residents. This measure also provides an opportunity to keep people employed and keep our economy moving in the right direction.

Thank you for the opportunity to testify on this measure.



HALE MAKUA HEALTH SERVICES

2/14/12

To: The Senate Committee on Health

Testimony in Support of SB 2935 Relating to Health Care Coordination

Aloha Chairman Green and members of the Senate Health Committee. My name is Tony Krieg, C.E.O. of Hale Makua Health Services a 60 year old non profit healthcare organization which provides post acute health care services on the Island of Maui .

This bill creates an opportunity to develop innovative partnerships which will enable Hale Makua Health Services (HMHS) and Maui Memorial Medical Center (MMMC) to better serve the people of Maui and expand healthcare options for persons needing acute and post acute care

Unsustainable healthcare costs and concerns about quality require hospitals and post acute providers to undertake major system change that requires more than traditional healthcare management. From developing new partnerships with physicians, payers and purchasers to reengineering cost structures, achieving success in the post reform era will require healthcare leadership that embraces change, sets, strategic direction and infuses staff with a sense of accountability. Setting strategic direction that could include physician integration, new pilot programs and cost re-engineering should be top priorities if healthcare is to survive and thrive in our community, state and our nation.

Both Maui Memorial and Hale Makua health Services organizations have provided the community with healthcare for over 60 years. Hale Makua is currently challenged with an unprecedented number of empty beds, and MMMC is challenged with a wait list of individuals who have no point of discharge, including Hale Makua, for a variety of reasons. There is a current crisis of limited post-acute care options on Maui; a payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. The two organizations are looking for ways to create operational synergies, and cost efficiencies, which will ultimately benefit Maui County residents. This collaboration is an important and effective way to address challenges arising from changes in the healthcare industry.

Representatives from the HHSC Maui Regional board and the Hale Makua Health Services board have had a series of meetings with a skilled, neutral facilitator and negotiations are ongoing. Hale Makua Health Services generally support the intent of

this bill and urges its passage to Ways and Means. We are working diligently with legal counsel to develop a specific structure and methodology to provide sustainable, effective and quality healthcare to the people of Maui.

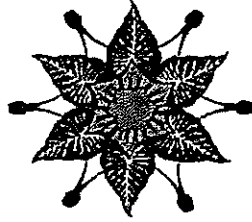
We urge you to pass the bill. If you have any questions please don't hesitate to contact me at 808 385-3267 – or tonyk@halemakua.org

About Maui Memorial Medical Center

Maui Memorial Medical Center is Maui's only full-service, acute medical care facility. Located in central Maui in Wailuku, the center has 1,200 employees and is licensed for 213 acute care beds, and provides comprehensive healthcare for Maui County, including Lanai and Molokai. MMMC is the only hospital outside of Oahu also providing a full range of cardiac services, including open-heart surgery and angioplasty.

About Hale Makua Health Services

Hale Makua Health Services is a private, non-profit 501(c)(3) corporation that was established in 1946 to provide a nursing home for elders who had no one to care for them or means to pay for needed services. The organization is the only Eden Alternative registered home in the state of Hawaii, and whose mission is to ensure individuals in our community are restored to health and independence, and transition through life with dignity and respect. Hale Makua Health Services is one of Maui's largest non-government employers with over 500 employees serving four home- and community-based healthcare programs, which include Hale Makua Long-Term providing nursing care and homes for up to 344 residents; Home Health by Hale Makua provides post-acute care and social work services to homebound clients of all ages and adult foster family case management; Rehab by Hale Makua specializes in both in and out-patient physical, occupational and speech therapies; and Adult Day Health by Hale Makua provides adults with a variety of health, therapeutic, and social services. For more information visit HaleMakua.org, find us on Facebook, or follow us on Twitter @HaleMakua.



Maui Memorial
MEDICAL CENTER

February 14, 2012

TO: Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair
SENATE COMMITTEE ON HEALTH
Wednesday, February 15, 2012, 3:30 p.m.
Conference Room 229

FROM: Wesley Lo, Regional Chief Executive Officer

RE: SB 2935 RELATING TO HEALTH CARE COORDINATION

Thank you for the opportunity to submit testimony in support of SB 2935, RELATING TO HEALTH CARE COORDINATION with amendments. The purpose of this bill is to establish a public-private partnership in a county with a population between 100,000 and 170,000; partnership to develop an integrated system to deliver health care across the spectrum of care; partnership to work at addressing the current crisis in acute care.

Patients should be cared for in facilities that are best suited to their needs. MMMC is an acute care facility, it is not licensed for skilled nursing or long term care yet when patients at MMMC are downgraded from acute to skilled nursing or long term care, and a bed is unavailable in a skilled nursing or long term care facility, MMMC cannot release these patients without an appropriate placement. Therefore, MMMC often ends up providing care to these patients with little or no compensation because their insurance or payor source will not pay an acute care facility to provide less than acute care. MMMC has maintained a steady wait-list of 20-45 patients for the past several years. If these patients could be discharged to Hale Makua, they would receive the appropriate level of care, and free up hospital beds for acute care patients.

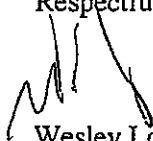
The proposed partnership would provide long-term stability for Maui's healthcare infrastructure in a cost-effective way, while creating mutually beneficial opportunities for both organizations.

We respectfully suggest that the proposed bill be amended to provide that:

- Hale Makua become a membership corporation with HHSC as its sole member.
- The rights duties and powers of HHSC as the sole member be delegated to the Maui Regional System Board of Directors.
- The Directors of Hale Makua be appointed by the sole member from a list of the current Hale Makua Board.
- The sole membership corporation should be exempt from collective bargaining and the procurement code.

Thank you for this opportunity to testify in **support** of this bill with the proposed amendments listed above.

Respectfully submitted,



Wesley Lo
Regional Chief Executive Officer
(808) 442-5100

Testimony in Support of SB2935 - Relating to Health Care Coordination

I am in full support of this bill, which creates opportunity to develop innovative partnerships that will enable Hale Makua Health Services (HMHS) and Maui Memorial Medical Center (MMMC) to better serve the people of Maui and expand healthcare options for residents. Both organizations are pillars of the community, providing healthcare to the people of Maui for over 60 years. Hale Makua is currently challenged with an unprecedented number of empty beds, and MMMC is challenged with a wait list of individuals who have no point of discharge, including Hale Makua, for a variety of reasons. The two organizations are looking for ways to create operational synergies, and cost efficiencies, which will ultimately benefit Maui County residents. This collaboration is an important and effective way to address challenges arising from changes in the healthcare industry.

Submitted by: Denise Thayer
deniseawong@gmail.com

Testimony for HTH 2/15/2012 3:30:00 PM SB2935

Conference room: 229

Testifier position: Support

Testifier will be present: No

Submitted by: Michael Munekiyo

Organization: Individual

E-mail: michael@mhplanning.com

Submitted on: 2/11/2012

Comments:

My name is Michael Munekiyo . I am a member of the Health Makua Health Services Board of Directors, which supports Senate Bill 2935. A public-private partnership to research, facilitate, develop, and implement a model and system of collaborative healthcare delivery in the County of Maui that moves patients throughout the continuum of care efficiently, appropriately, and cost effectively needs support from the State of Hawaii. With the support of the State, public hospital Maui Memorial Medical Center (MMMC) and private non-profit Hale Makua Health Services will be able to create a model of healthcare delivery that better serves Maui's people by implementing by a partnership that creates a continuum of care, while maximizing capacity and increasing operational and financial viability of both organizations.

Testimony for HTH 2/15/2012 3:30:00 PM SB2935

Conference room: 229

Testifier position: Support

Testifier will be present: No

Submitted by: Alice L.Lee

Organization: Hale Makua Board

E-mail: aliceleehawaii@gmail.com

Submitted on: 2/13/2012

Comments:

I am writing in strong support of SB2935 which would provide and enhance needed resources and vital options for our elderly population on fixed incomes. Thank you for your consideration of this request.

Testimony for HTH 2/15/2012 3:30:00 PM SB2935

Conference room: 229

Testifier position: Support

Testifier will be present: No

Submitted by: gayle long

Organization: Hale Makua Health Services

E-mail: gayle@longfinancialservices.com

Submitted on: 2/13/2012

Comments:

Testimony in Support of SB2935 - Relating to Health Care Coordination

My name is Gayle Long. I am a member of the Health Makua Health Services Board of Directors, which supports Senate Bill 2935. Hale Makua Health Services (Hale Makua) and Maui Memorial Medical Center (MMMC) have been very successful in serving the residents of Maui county for over 60 years. There is a current crisis of limited post-acute care options on Maui; payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. Both organizations have the goal of achieving operational synergies and cost efficiency that will address this crisis and benefit both organizations, which in turn benefits the residents of Maui. To realize an effective partnership to resolve this crisis requires support from the State of Hawaii.

Testimony in Support of S.B. 2935 Relating to Health Care Coordination

To: COMMITTEE ON HEALTH
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair
and Committee Members

My name is Merie-Ellen Gushi and I am a member of the Hale Makua Health Services Board of Directors. Hale Makua Health Services supports SB2935. This bill creates opportunity to develop innovative partnerships which will enable Hale Makua Health Services (HMHS) and Maui Memorial Medical Center (MMMC) to better serve the people of Maui and expand healthcare options for residents. Both organizations have provided the community with healthcare for over 60 years. Hale Makua is currently challenged with an unprecedented number of empty beds, and MMMC is challenged with a wait list of individuals who have no point of discharge, including Hale Makua, for a variety of reasons. There is a current crisis of limited post-acute care options on Maui; payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. Both organizations have the goal of achieving operational synergies and cost efficiency that will address this crisis and benefit both organizations, which in turn benefits the residents of Maui. To realize an effective partnership to resolve this crisis requires support from the State of Hawaii.

Thank you for this opportunity to wholeheartedly support SB2935.

Testimony in Support of SB2935 - Relating to Health Care Coordination

My name is Joyce Tamori. I am the CFO of Health Makua Health Services, which supports Senate Bill 2935. A public-private partnership to research, facilitate, develop, and implement a model and system of collaborative healthcare delivery in the County of Maui that moves patients throughout the continuum of care efficiently, appropriately, and cost effectively needs support from the State of Hawaii. With the support of the State, public hospital Maui Memorial Medical Center (MMMC) and private non-profit Hale Makua Health Services will be able to create a model of healthcare delivery that better serves Maui's people by implementing by a partnership that creates a continuum of care, while maximizing capacity and increasing operational and financial viability of both organizations.

My name is Paul Gammie. I am a member of the Health Makua Health Services Board of Directors, which supports Senate Bill 2935. Hale Makua Health Services (Hale Makua) and Maui Memorial Medical Center (MMMC) have been very successful in serving the residents of Maui county for over 60 years. There is a current crisis of limited post-acute care options on Maui; payer mix disproportionately weighted toward Medicaid, which does not cover the actual cost of care; and inadequate physician coverage to admit and discharge patients. Both organizations have the goal of achieving operational synergies and cost efficiency that will address this crisis and benefit both organizations, which in turn benefits the residents of Maui. To realize an effective partnership to resolve this crisis requires support from the State of Hawaii.

February 13, 2012

TESTIMONY IN SUPPORT OF SB 2935
RELATING TO HEALTH CARE COORDINATION

To: The Honorable Josh Green, M.D., Chair
Senate Committee on Health

From: Susan S. Clements

Subject: Hearing of February 15, 2012; Testimony in Support of SB 2935, RELATING TO
HEALTH CARE COORDINATION

Thank you for the opportunity to testify in support of SB 2935, RELATING TO HEALTH
CARE COORDINATION.

I strongly support SB 2935 for the people of Maui County and urge you to please support this
important measure.

Thank you for your favorable consideration.

Sincerely,
Susan S. Clements
30 Kapiki Place
Kula, HI 96790
808-878-8022

Testimony in Support of SB2935 - Relating to Health Care Coordination

My name is Mitch Mitchell . I am a member of the Health Makua Health Services Board of Directors which supports this bill. This bill creates opportunity to develop innovative partnerships which will enable Hale Makua Health Services (HMHS) and Maui Memorial Medical Center (MMMC) to better serve the people of Maui and expand healthcare options for residents. Both organizations have provided the community with healthcare for over 60 years. Hale Makua is currently challenged with an unprecedented number of empty beds, and MMMC is challenged with a wait list of individuals who have no point of discharge, including Hale Makua, for a variety of reasons. The two organizations are looking for ways to create operational synergies, and cost efficiencies, which will ultimately benefit Maui County residents. This collaboration is an important and effective way to address challenges arising from changes in the healthcare industry.