



HALE MAKUA HEALTH SERVICES

March 14, 2013

COMMITTEES ON HEALTH - Representative Della Au Belatti, Chair
COMMITTEE ON HUMAN SERVICES – Representative Mele Carroll, Chair

RE: Support of SB 1237 SD2: Relating to the Nursing Facilities .
Conference Room 329 – March 15, 2012

Aloha Chairs Au Belatti and Carroll and members of the House Health and Human Services Committees. My name is Tony Krieg, C.E.O. of Hale Makua Health services on Maui. We operate the only free-standing nursing homes on Maui with a total of 344 beds. On average over the course of 2012, 80% of the residents of these homes had Medicaid as their payer. Medicaid reimbursements are less than our cost of providing care. The Nursing Facility Sustainability Program helps to rectify that situation by assessing a fee on nursing facilities, using the revenue to obtain matching federal Medicaid funds, and returning a percentage of the combined amount directly to nursing facilities. The State also benefits by keeping a portion of these funds, for other health related programs, making this a win-won proposal.

Hawaii's Medicaid population needs access to long term care communities and this program supports our ability to continue to provide these services. As you know this program has been approved by the Centers for Medicare and Medicaid Services (CMS) and is in use in many other states. Thank you for the opportunity to comment and share my support of SB 1237 SD2.

Sincerely,

Tony Krieg
C.E.O
Hale Makua Health Services



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Nursing
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HOUSE COMMITTEE ON HEALTH
Rep. Della Au Belatti, Chair

HOUSE COMMITTEE ON HUMAN SERVICES
Rep. Mele Carroll, Chair

March 15, 2013 , 10:30am
Conference Rm. 329

Supporting SB 1237 SD 2: Relating to Long –Term Care Facilities

Pearl City Nursing Home is a 122 bed Nursing Facility in operations since 1995, caring and partnering with families of frail and older adults of our community.

With deep budget cuts from Medicare, Medicaid, Health Plans, the impact of the Affordable Care Act, and increasing older adults health needs, nursing facilities are all too familiar with the cliff's edge. The Legislature enacted Act 156 in 2012, the Nursing Facility Sustainability Program. Participating non-government nursing facilities are assessed a fee based on Medicaid utilization, which varies among the facilities, resulting in differing fees and payments. The revenue is used to obtain matching federal Medicaid funds, and returning a majority of the combined amount directly to nursing facilities. This bill ensures Medicaid enrollees to have access to institutional long-term care.

This bill has been well accepted and is the result of a collaborative effort with DHS, Healthcare Association of Hawaii and Hawaii Long Term Care Association and strives to benefit the frail and older adult citizens and their families.

Thank you for this opportunity to testify in support of SB 1237 SD2, which extends its sunset for one year, to June 30, 2014.

Respectfully Submitted,
Bernadette Ledesma
Administrator