



**March 28, 2017 at 11:05 AM**  
**Conference Room 329**

**House Committee on Health**  
**House Committee on Human Services**

To: Chair Della Au Belatti  
Vice Chair Bertrand Kobayashi

Chair Dee Morikawa  
Vice Chair Chris Todd

From: Paige Heckathorn  
Senior Manager, Legislative Affairs  
Healthcare Association of Hawaii

**Re: Testimony in Support**  
**HCR 161, Requesting the Convening of a Working Group Relating to Complex Patients**

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 160 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

The Healthcare Association of Hawaii would like to thank the committees for the opportunity to **support** HCR 161. This resolution requests the MedQUEST administrator to convene a working group to evaluate the issue of complex patients who are waitlisted in hospitals and consider potential solutions that encourage long-term care facilities to take these patients, such as an add-on or incentive payment.

All too often, patients who no longer need an acute level of care end up residing in a hospital for many months because the cost of caring for that patient in a long-term care facility is much higher than what the facility would receive in reimbursements from the Medicaid program. The predominant reason that the costs are so high is that a patient has a complex medical need, such as septicemia or behavioral health or substance abuse issues, that require more intensive services.

The costs incurred by hospitals for caring of these patients, who are often referred to as "waitlisted patients," is concerning. A 2014 report by the Hawaii Health Information

Corporation found that there were 7,055 patients who were waitlisted in Hawaii hospitals in 2011. The costs to hospitals of taking care of those patients was \$1,259 per day, with a net annual loss of approximately \$60 million. Further, patients who need acute care services may not be able to access a hospital bed if it is taken up by an individual who no longer meets that level of care but cannot be moved to an appropriate facility.

We appreciate that the legislature is discussing this issue and would ask for your support in continuing the conversation by approving this resolution and establishing a working group. We believe that this group of stakeholders can come together and find a way to ease the bottleneck currently occurring in our hospitals and ensure that every patient receives appropriate, high-quality care.

Thank you for your consideration of this important matter.

To: The Honorable Della Au Belatti, Chair  
The Honorable Bertrand Kobayashi, Vice Chair  
Members, Committee on Health

The Honorable Dee Morikawa, Chair  
The Honorable Chris Todd, Vice Chair  
Members, Committee on Human Services

From: Paula Yoshioka, Senior Vice President, The Queen's Health Systems

Date: March 24, 2017

Hrg: House Committees on Health and Human Services Joint Hearing; Tuesday, March 28,  
2017 at 11:05AM in Room 329

Re: **Support for HCR 161, Requesting the Convening of a Working Group Relating to  
Complex Patients**

---

My name is Paula Yoshioka, and I am a Senior Vice President at The Queen's Health Systems (QHS). I would like to express **support** for HCR 161, Requesting the Convening of a Working Group Relating to Complex Patients.

At QHS we are committed to providing care for Hawaii's most underserved. At The Queen's Medical Center – Punchbowl (QMC-Punchbowl), Medicaid patients accounted for a total of 5,484 days on the waitlist with 53 percent considered to be medically-complex patients. We experienced a net loss of \$6.6 million in FY 2016 caring for these patients as they were waitlisted for transfer to a long-term care facility.

Waitlisted patients affect the entire system of care in our state as they directly impact the availability of acute care beds. Patients needing an acute level of care may not be able to access a hospital bed if census is full and waitlisted patients occupy acute care beds. QMC-Punchbowl experiences an average daily census (ADC) of 94 percent (80 percent is the efficient ADC level). In 2016, QMC-Punchbowl reached capacity multiple times requiring us to go on divert for 153 days or 42 percent of the entire year. At the same time, the number of Emergency Department (ED) holds at QMC-Punchbowl, defined as an individual waiting more than four hours to be hospitalized, averaged 11.43 holds a day last year.

We hope that a working group will be able to identify actionable recommendations to help reduce the waitlist issue for medically complex patients.

I commend the legislature for introducing this measure and ask you to support it. Thank you for your time and attention to this important issue.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*