

**January 30, 2017/2:45pm**

Conference Room 016

Senate Committee on Commerce, Consumer Protection & Health

To: Senator Rosalyn Baker, Chair  
Senator Clarence Nishihara, Vice Chair

From: Michael Robinson  
Vice President – Government Relations & Community Affairs

**Re: SB 374 – Testimony in Support**

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My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

I am writing in support of SB 374 which establishes an add-on payment for long-term care facilities that treat complex patients. The current Medicaid level of reimbursement for long-term care facilities does not match the cost of providing services to health care patients with medically complex needs. This makes it difficult for hospitals to locate a placement for patients who no longer need acute care yet have complex medical needs because the costs are prohibitively high for long-term care facilities. To help hospitals place high-cost patients into appropriate long-term health care settings, it is critical that long-term care facilities receive payments that better reflect the costs of care for medically complex cases. The add-on payment suggested in SB 374 will help long-term care facilities to meet the costs of providing care to patients with complex needs. This will improve the flow of patients through statewide health care facilities and preserve access to health care in Hawai'i.

Thank you for the opportunity to testify.