

# HCR95

REQUESTING THE HAWAII HEALTH SYSTEMS CORPORATION OAHU REGIONAL BOARD TO ASSESS THE AVAILABILITY OF LONG-TERM CARE

**Measure Title:** BEDS ON OAHU AND TO DEVELOP RECOMMENDATIONS REGARDING THE CLOSURE OF LEAHI HOSPITAL AND MALUHIA LONG-TERM CARE HEALTH CENTER.

**Report Title:** HHSC; Leahi Hospital; Maluhia Long-Term Care Health Center

**Description:**

**Companion:** [HR79](#)

**Package:** None

**Current Referral:** CPH

**Introducer(s):** NAKASHIMA, BELATTI, CULLEN, JOHANSON, KEOHOKALO, LUKE, MORIKAWA, SAIKI, Onishi

**HCR-95**

Submitted on: 4/11/2018 2:18:44 PM

Testimony for CPH on 4/13/2018 10:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments:

To the Honorable Rosalyn H. Baker, Chair; the Honorable Jill N. Tokuda, Vice-Chair and the Members of the Committee on Commerce, Consumer Protection, and Health:

Good morning. My name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") on Legislative Priorities of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **HCR95** relating to the closure of Leahi Hospital, Maluhia Long-Term Care Health Center, or both.

The OCC Legislative Priorities Committee is not in favor of **HCR95** and opposes its passage.

**HCR95** is not in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it requests that Hawaii Health Systems Corporation Oahu Regional Board assess the availability of long-term care beds in the City and County of Honolulu and to develop recommendations regarding the closure of Leahi Hospital, Maluhia Long-Term Care Health Center, or both.

Specifically, the Platform of the DPH provides that "Access to health care is a basic human need. Our citizens and visitors have an inherent right to high quality, high standard health care. The state legislature and the federal government should take all appropriate steps to create and support a health care system of public, for-profit, and nonprofit hospitals and other medical facilities that follow best practices to enhance and protect and preserve life.

We support the development of long-term care financing solutions, better pay and working conditions for all health care providers, parity of mental and physical health coverage, and appropriate regulation of health care delivery systems. We also support the development of empirically validated prevention programs targeted at major public health issues. (Platform of the DPH, P. 7, Lines 361-369 (2016)).

The OCC on Legislative Priorities strongly opposes **HCR95**. We believe that Leahi and Maluhia hospitals must continue to be available and serve the growing population of elderly residents on Oahu. These are fundamental assets that form part of the core services of state government for the safety and health of the public. The facilities provide needed and constitutionally mandated services (Article IX, Public Health) like police, fire, defense, education and safety. They all need funding; the health, safety and protection of the public, human beings, deserve priority. It is a government responsibility to provide the safety net.

According to the RTI International Report, "Long-Term Care in Hawaii: Issues and Options" by Joshua M. Wiener, Ph.D., January 15, 2014, "Hawaii has fewer services and spends less on long-term care than [the]country as [a] whole."

Another related report entitled, "Long-Term Care Reform in Hawaii: Report of the Hawaii Long-Term Care Commission, January 18, 2012, states that, "...the aging of the population guarantees that there will be a much greater need for long-term care in the future than there is now.

Between 2007 and 2030, the population aged 85 and older, which has the greatest need for long-term care, will increase by almost two thirds. There is no way to provide services for this population without additional sources of financing; it is impossible to serve two-thirds more people within the same level of government spending."

State government should not force the elderly out into the open market for elderly care services by closing Leahi and Maluhia Hospitals. They will not be able to afford market prices for long-term care. They are destitute. Where can they go if the hospitals are closed?

Given that **HCR95** requests that Hawaii Health Systems Corporation Oahu Regional Board assess the availability of long-term care beds in the City and County of Honolulu and to develop recommendations regarding the closure of Leahi Hospital, Maluhia Long-Term Care Health Center, or both, it is the position of the OCC Legislative Priorities Committee to oppose this measure.

Thank you very much for your kind consideration.  
Sincerely yours,

/s/ Melodie Aduja  
Melodie Aduja, Chair, OCC on Legislative Priorities  
Email: legislativepriorities@gmail.com, Tel.: (808) 258-8889



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Twenty-Ninth Legislature, State of Hawaii  
The Senate  
Committee on Commerce, Consumer Protection, and Health

Testimony by  
Hawaii Government Employees Association

April 13, 2018

**H.C.R. 95 – REQUESTING THE HAWAII HEALTH SYSTEMS CORPORATION  
OAHU REGIONAL BOARD TO ASSESS THE AVAILABILITY OF LONG-TERM CARE BEDS ON  
OAHU AND TO DEVELOP RECOMMENDATIONS REGARDING THE CLOSURE OF LEAHI  
HOSPITAL AND MALUHIA LONG-TERM CARE HEALTH CENTER**

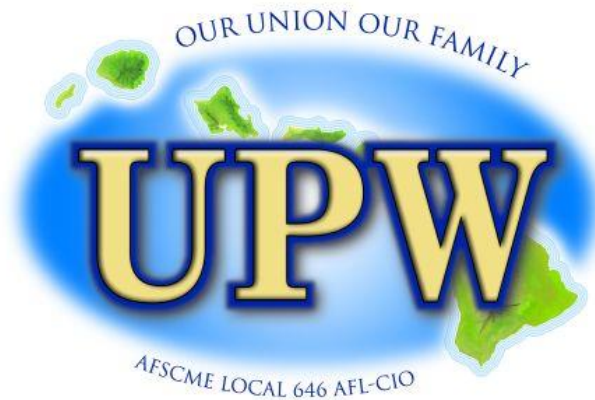
The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO raises strong concerns over the underlying intent of H.C.R. 95 which requests the Oahu Regional Board of the Hawaii Health Systems Corporation to assess the availability of long-term care beds on Oahu and to develop recommendations regarding the closure of Leahi Hospital and Maluhia Health Center.

While we recognize that Leahi and Maluhia recorded an operating loss of \$16 million in 2017 and therefore had to make operational adjustments, we respectfully implore the Legislature and this Committee to first consider the broader policy questions at hand – should state government have a role in providing access to health care for all of its aging residents, and if yes, what level of service should be provided and at what cost to whom -- prior to recommending any facility closure. Additionally, the Legislature should take a holistic approach and consider expanding the scope of H.C.R. 95 to conduct a statewide needs assessment of the total amount and utilization of available long-term care beds, including the patient's ability to pay for care, instead of narrowly focusing on Leahi and Maluhia.

The Department of Business Economic Development and Tourism has projected that by 2040, nearly one-third of Hawaii's population will be over 60 years of age, creating a "silver tsunami" that represents not only the rapid rise in the number of seniors but also the state's inadequate preparation to meet this population's demands. Sound public policy must consider both the immediate needs of our community but also lay the foundation for the anticipated future needs of our state. Respectfully, we do not believe the closure of these two facilities and their over 300 long-term care beds comports to the anticipated demand.

Thank you for the opportunity to provide testimony on H.C.R. 95.

Respectfully submitted,  
  
Randy Perreira  
Executive Director



THE HAWAII STATE SENATE  
The Twenty-Ninth Legislature  
Regular Session of 2018

COMMITTEE ON COMMERCE, CONSUMER PROTECTION  
AND HEALTH (CPH)

Senator Rosalyn H. Baker, Chair  
Senator Jill N. Tokuda, Vice Chair  
Members of the Committee

DATE OF HEARING: Friday, April 13, 2018  
TIME OF HEARING: 10:00 a.m.  
PLACE OF HEARING: State Capitol  
415 South Beretania Street  
Conference Room 229

Testimony on HCR95/HR79 Requesting the Hawaii Health Systems Corporation  
Oahu Regional Board to Assess the Availability of Long-term Care Beds on Oahu and  
to Develop Recommendations Regarding the Closure of Leahi Hospital and Maluhia  
Long-term Care Health Center

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

My name is Dayton M. Nakanelua, State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO. The UPW is the exclusive bargaining representative for approximately 12,000 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 the four counties. The UPW also represents about 1,500 members of the private sector.

The UPW is **strongly opposed** to HCR95 relating to the recommendations regarding the closure of two safety net medical facilities, Leahi and Maluhia. We believe that these

hospitals must continue to be available and serve the growing population of elderly residents on Oahu. These are fundamental assets that form part of the core services of state government for the safety and health of the public. The facilities provide needed and constitutionally mandated services (Article IX, Public Health) like police, fire, defense, education and safety. They all need funding; the health, safety and protection of the public, human beings, deserve priority. It is a government responsibility to provide the safety net.

According to the RTI International Report, “Long-Term Care in Hawaii: Issues and Options” by Joshua M. Wiener, Ph.D., January 15, 2014, “Hawaii has fewer services and spends less on long-term care than [the]country as [a] whole.” Another related report entitled, “Long-Term Care Reform in Hawaii: Report of the Hawaii Long-Term Care Commission, January 18, 2012, states that, “...the aging of the population **guarantees** that there will be a much greater need for long-term care in the future than there is now. Between 2007 and 2030, the population aged 85 and older, which has the greatest need for long-term care, will increase by almost **two thirds**. There is no way to provide services for this population without additional sources of financing; it is impossible to serve two-thirds more people within the same level of government spending.”

State government should not force the elderly out into the open market for elderly care services by closing Leahi and Maluhia Hospitals. They will not be able to afford market prices for long-term care. They are destitute.

**Where can they go if the hospitals are closed?**

**HCR-95**

Submitted on: 4/11/2018 11:44:32 PM

Testimony for CPH on 4/13/2018 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
David Chong	Individual	Comments	No

Comments:

Regarding HCR95, beyond possibly affecting one of Oahu's most vulnerable populations (elderly and disabled on Medicaid), there is a related negative impact. When patients are admitted to Queen's, Straub, or any acute care hospital, they are treated for their illness and once medically stable enough, discharged home. However, if doctors and social workers find out that the person can't take care of themselves anymore and no family members can care for him/her, then hospital case managers look for long-term care facilities to take the patient. But it's difficult to find a place that accepts patients who can't pay out of pocket--who are on Medicaid (90% of residents at Leahi and Maluhia are on Medicaid). Medicaid reimbursements are set by the federal government and pay only about 50 cents for every dollar spent, so obviously private nursing homes don't want anything to do with Medicaid patients.

If Leahi/Maluhia is closed, not only will Queen's have to keep the patients longer, but more importantly Queen's will only be reimbursed at the rate of a long-term care facility, not at the acute care rate. The average cost of an acute-care hospital bed is \$2,000 per day. The average cost of a long-term care bed is about \$300 per day. If Queen's is losing \$1,700 per person per day, you can see that it puts them at risk financially. This happened when Leahi closed one floor and Maluhia closed one ward almost 3 years ago (25% less beds now). But next time it will be much worse, because Leahi and Maluhia still operate at 75% bed capacity after the closures 3 years ago, and they still take new patients from the acute care hospitals. But this remaining 75% capacity will then be gone, and no more patients will ever go there again, if they close. So you can see how devastating this will be for Queen's and the other acute care hospitals.

The Medicaid reimbursement rate is why the residents at Leahi/Maluhia have no place else to go--private nursing homes won't take anyone on Medicaid because it's a money losing proposition. Some of them are on tube feeding, which requires a higher level of skill than most CNAs in care homes are qualified for, which is why currently, the RNs (registered nurses) take care of the tube feeding that can only be done in a nursing home with RNs.

The U.S. Census estimates that by the year 2030, 1 in 5 adults in Hawaii will be age 65 and over. Because of that, there will be an increased need for nursing homes. So downsizing or eliminating our nursing homes is extremely shortsighted, and quite frankly, a lazy solution to financial shortfalls. I have told legislators over the last few years that if they have to, raise the annual state income taxes. I'd pay an extra \$500 or more in annual state income taxes if needed to help cover HHSC funding, and I think most people who know the value of long term care would feel the same way.

Aloha,

David Chong



April 11, 2018

To: Senator Rosalyn H. Baker, Chair  
Senator Jill N. Tokuda, Vice Chair  
Senate Committee on Commerce, Consumer Protection, and Health

From: Gladys Fujioka,  
Concerned Citizen

RE: HCR 95 – REQUESTING THE HAWAII HEALTH SYSTEMS CORPORATION OAHU REGIONAL BOARD TO ASSESS THE AVAILABILITY OF LONG-TERM CARE BEDS ON OAHU AND TO DEVELOP RECOMMENDATIONS REGARDING THE CLOSURE OF LEAHI HOSPITAL AND MALUHIA LONG-TERM CARE HEALTH CENTER.  
Hawaii State Capitol, Room 229, April 13, 2018, 10:00 AM

Good morning Chair Baker, Vice Chair Tokuda and Distinguished Committee Members. My name is Gladys Fujioka and I am in strong opposition of HCR 95 to the closure of Leahi Hospital.

My Mom, Alice Tokuda, was diagnosed with Alzheimer's Disease, heart disease and at risk for falling. She has been a patient at Leahi Hospital since January 1, 2016. My family and I are very pleased with the quality of care provided by the staff at Leahi; furthermore,

I am shocked and disappointed that the state would even consider closing down Leahi while at the same time, in my opinion, millions of dollars are spent on creating shelters and transitional housing options that are underutilized by the homeless. Furthermore, based on my personal experience, there seems to be a shortage in long-term care beds.

I appreciate the opportunity to provide testimony and am available for questions.

As part of my testimony, I would like to share highlights of my story that captures my mom's experience at Leahi and how the staff has helped to add quality to my mom's life.

1. Prior to my mom residing at Leahi Hospital permanently, she attended the Leahi Adult Day Health Center 3 x a week, and she was happy going there. They were kept busy by doing social and recreational activities. My mom used to bring home her drawings or crafts that she made and always kept it where we all could see it.
2. Due to the beginnings of Alzheimer's I always had a tough time during bath hours, so with a nominal fee, the day care has a service where they could give her a bath during the day. That really helped me a great deal, so both my mom and I no longer argued over her bath time.
3. As her health worsened due to falling, her heart disease and Alzheimer's got worse, I could admit her as a permanent patient at Leahi Hospital, it was the best decision that both brother and I made for our mom. The rooms were exceptionally clean, the atmosphere of the floor that she is in is bright and cheerful, and the RN's and some of

the Certified Nurses Aids are terrific. They have been taking such great care of my mom, and to the rest of the residents on her floor.

4. They have recreational activities during the day, 7 days a week, having them use their motor skills, evening activities 3 x a week and, they do hands and legs exercises in the evenings with the CNA; s before bedtime. Without these activities, the residents would have no social time with each other, although they may be hard of hearing, or have dementia, or may not be English speaking, but somehow, they laugh, they can communicate with each other, and it they look forward to participating in any activities.
5. Both my brother and I will be very disappointed and heartbroken if the Legislature decides after close of session 2019 that they can no longer help subsidize Leahi Hospital. On the floor that my mom is on, they have about 6- 7 resident's that are 90 years or over, and some of them have been there for years, that shows you how the staff of Leahi Hospital has been taking diligent care of the residents.
6. When we could no longer take care of my father, because of Alzheimer's, he put him in foster care, and we regretted till this day. I assumed that he would not have qualified to be at Leahi Hospital, since he was a wanderer, but I should have had him evaluated, putting him in foster care, for me was not a pleasant experience, we had to call if we wanted to see him, I wasn't sure if he had enough to eat, I know he had no recreational activities. One day I had to take return him to the caregiver's home and the main caregiver had to take another one of her patients to the ER, so when I dropped off my dad, the person who was home, took my dad in his room and locked the door until the care giver came home from the ER. I was so upset, I told myself, I was not going to put my mom through that experience. He only stayed there for 6 months until he passed away with pneumonia and sepsis. While in hospice care at Leahi Hospital, I was able to stay with him both day and night for 7 days until he passed away and the nurses at North Trotter were so good to me and my family.
7. The Legislators both in the House and Senate are always talking about helping the Kupuna, but instead of helping them, you want to relocate all these Kupuna which have been residing at Leahi Hospital and Maluhia Long-Term Care Health Center to who knows where if Hawaii Health Systems Corporation does not meet your recommendations on keeping the care homes open.

Hearing Date: Friday, April 13, 2018  
10:00 AM, Conference Room 229

To: Commerce, Consumer Protection, and Health  
Senator Rosalyn H. Baker, Chair  
Senator Jill N. Tokuda, Chair

From: Kimberly Oshiro, kimberlyoshiro@yahoo.com

Re: HCR 95 Relating to Hawaii Health Systems Corporation Oahu Region  
TESTIMONY IN OPPOSITION

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I am a social worker at Maluhia. I respectfully oppose this concurrent resolution.

The citizens of Oahu will continue to need facilities like Maluhia and Leahi. According to the US census, as of July 2016, 16.6% of Oahu's population is 65 years and older. The baby boomer generation is ages 54 to 72. This generation has already started needing long-term care services and the need will increase in the years to follow.

Since Maluhia and Leahi had to close one unit each in 2015: One private nursing facility has closed. Two other facilities no longer accept intermediate care facility level of care (ICF) residents (especially those on Medicaid), which is the bulk of the residents living at Maluhia and Leahi. In addition, private nursing facilities are concentrating on skilled nursing facility level of care (SNF), making it fewer beds available for those who need ICF beds. Maluhia and Leahi do get people from private nursing facilities after their SNF care ends. There are nursing facilities that limit the amount of Medicaid residents even if they are certified to accept Medicaid.

Maluhia and Leahi takes people younger than 65. I have seen nursing facilities decline accepting people because he or she is younger. They cite that their facility does not have the activities able to cater to the person.

Alternatives such as foster home are available, but foster homes are not everyone. Nursing facilities are not for everyone too. However, our older adult and disabled populations deserve to be able to make a choice where they want to live and what fits him or her best.

Although an assessment of the number of availability of long-term beds is not a bad idea, I am against the development of recommendations of the closure of Leahi and/or Maluhia. I believe the consequences of closure would not benefit the welfare of Oahu citizens. It could also possibly cause the state more money in the long run.

Thank you for the opportunity to testify.

**HCR-95**

Submitted on: 4/12/2018 3:08:45 PM

Testimony for CPH on 4/13/2018 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Scott Foster	Testifying for The Kupuna Caucus of the Democratic Party of Hawaii AND Hawaii Advocates For Consumer Rights	Support	No

Comments: