

#### STATE OF HAWAII DEPARTMENT OF HEALTH

P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

# Testimony in SUPPORT of SB2487 HD1 RELATING TO HEALTH.

# REP. SYLVIA LUKE, CHAIR HOUSE COMMITTEE ON FINANCE

Hearing Date: March 28, 2018 Room Number: 308

- 1 Fiscal Implications: N/A.
- 2 **Department Testimony:** The Department of Health supports the intent of SB2487 HD1, which
- 3 amends tort law to create a quality assurance committee outside of a single health plan or
- 4 hospital. Health care entities may better plan, coordinate, and manage a patient's care as they
- 5 move within the continuum of care is in the patient's best interest and consistent with emerging
- 6 best practices of patient-centered care.
- 7 **Offered Amendments:** N/A.



DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN

# STATE OF HAWAII OFFICE OF THE DIRECTOR DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

CATHERINE P. AWAKUNI COLÓN

JO ANN M. UCHIDA TAKEUCHI DEPUTY DIRECTOR

335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: 586-2850

HONOLULU, HAWAII 96809 Phone Number: 586-2850 Fax Number: 586-2856 cca.hawaii.gov

# TO THE HOUSE COMMITTEE ON FINANCE

TWENTY-NINTH LEGISLATURE Regular Session of 2018

Wednesday, March 28, 2018 2:00 p.m.

#### TESTIMONY ON SENATE BILL NO. 2487, H.D. 1 – RELATING TO HEALTH.

TO THE HONORABLE SYLVIA LUKE, CHAIR, AND MEMBERS OF THE COMMITTEE:

The Department of Commerce and Consumer Affairs ("Department") appreciates the opportunity to testify on S.B. 2487, H.D. 1, Relating to Health. My name is Gordon Ito, and I am the Insurance Commissioner for the Department's Insurance Division. The Department supports this bill and provides the following comments.

The purpose of this bill is to amend the definition of "quality assurance committee" to include committees established by long-term facilities, skilled nursing facilities, assisted living facilities, home care agencies, hospice, and authorized state agencies, thereby allowing for the creation of a quality assurance committee outside of a single health plan or hospital.

The Department supports efforts to reduce healthcare cost drivers by improving the care of high-need, complex patients. Better coordination will lead to improved health outcomes for patients, thereby helping to reduce healthcare costs and health insurance premium increases.

Thank you for the opportunity to testify on this matter.

Submitted on: 3/25/2018 10:49:24 AM Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Mike Sayama, PhD	Community First	Support	Yes	

#### Comments:

Community First **STRONGLY SUPPORTS** SB2487. Quality Assurance (QA) Committees provide hospitals, health plans, long term care facilities, and other healthcare organizations with a mechanism to evaluate, monitor and improve quality of care; reduce patient risk and error; and assess the overall effectiveness of care provided to patients. **QA committees are well established and essential to our healthcare delivery system.** 

QA committees can already be established in a licensed hospital, clinic, longterm care facility, skilled nursing facility, assisted living facility, home care agency, hospice, health maintenance organization, preferred provider organization, preferred provider network providing medical, dental, or optometric care, or an authorized state agency. HRS § 624-25.5.

SB2487 merely provides liability protection for QA discussions for key healthcare organizations currently not covered in HRS § 624-25.5. In doing so, QA and peer review activities to evaluate and improve health care can be conducted in a wider array of health care facilities and providers.

Over the past three years, Community First has sought feedback and guidance from businesses, community organizations, health plans, healthcare providers, hospitals, social service organizations, consumers and other key stakeholders on ways to evaluate and improve our QA and peer review process. We strongly believe that SB2487 will enable more organizations and stakeholders to better evaluate and improve our health delivery system.

May we request that the effective date of this bill be upon approval.

Please support SB2487. Thank you for the opportunity to testify.

### Darryl J. Oliveira 1815 Waianuenue Avenue Hilo, Hawaii 96720

March 26, 2018

Sylvia Luke, Chair House Committee on Finance State of Hawaii 415 S. Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke,

I would like to provide the enclosed testimony in support of Senate Bill 2487 HD1 related to the definition of Quality Assurance Committees.

I am writing on behalf of the members of the Community Action Network, a steering committee under the oversight of the Community First non-profit organization. Our membership is comprised of representatives of the various health care service providers in the East Hawaii region of Hawaii Island, along with many of the social service and non-profit service providers.

Over the past year, our organization has been meeting regularly with the goal of identifying issues and gaps in the health care system and how they may be causing or contributing to complex health issues of community members. These complex health conditions often result in high costs and place a significant demand on the limited available resources without measurable outcomes. We have determined that assessing the problems from a truly comprehensive perspective to include the participation of non-medical service providers is invaluable. In many cases it is the social factors or non-medical needs of patients that may be greatly affecting their health and health care needs.

The Community Action Network would like to continue to provide the forum and venue for our member organizations to assess and evaluate the challenges and gaps within the health care system and expand upon our objectives to include the conducting of case review under the concept of "quality assurance". In order to provide for that objective and activity, the current statute language defining Quality Assurance Committees would need to be amended to provide for consistency between the respective chapters and to include the provisions for an "interdisciplinary committee". As previously mentioned, the opportunity and platform for medical and non-medical or social service providers to convene to review and discuss health care in the most comprehensive manner is not only effective but essential and invaluable to identifying the problems and developing and implementing the best solutions with the ultimate goal of improving the quality of care and life for our community members.

I respectfully ask for your support of House Bill 2487 amending the definition of "Quality Assurance Committee". I welcome the opportunity to address any questions or concerns you may have. I can be contacted at oliveiradarryl@gmail.com or (808)987-8615.

Sincerely,

Darryl J. Oliveira Co-Chair, Community Action Network

Submitted on: 3/27/2018 10:56:19 AM Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jasmine LeFever	Hui Malama Ola Na Oiwi	Support	Yes

#### Comments:

For many high cost, high need patients, there is a need for comprehensive care including both medical and non-medical needs. This bill would allow for better communication between medical and social services through QA discussions to approach care in the most effective way for the patient. This would result in improved healthcare, better quality of life for the patient, and lowering overall medical costs.



#### OAHU OFFICE:

1001 Bishop Street Suite 1800 Honolulu, HI 96813

#### **BIG ISLAND OFFICE:**

26-238 Hawai`i Belt Road Hilo, HI 96720

Phone: (808) 524-1800 Fax: (808) 524-4591 www.ahfi.com

#### **COMMITTEE ON FINANCE**

Representative Sylvia Luke, Chair Representative Ty J. K. Cullen, Vice Chair

Wednesday, March 28, 2018 2:00 pm, Conference Room 308

#### SB2487, HD1 RELATING TO HEALTH

Testimony of DIANNE BROOKINS, ESQ.

Chair Luke, Vice Chair Cullen and Members of the Committee:

My name is Dianne Brookins, and I represent Community First. I am writing to provide comments on the concerns of the Hawaii Association for Justice (HAJ) as stated in their testimony dated March 20, 2018, which opposed SB2487, HD1 when heard before the House Committee on Consumer Protection. HAJ erroneously claims that the bill unreasonably broadens the scope of information regarding Quality Assurance (QA) committees that is protected under current law.

The information generated by QA committees is already protected by current law, HRS § 624-25.5. All SB 2487, HD1 seeks to do is provide **liability protection** for the participants in QA committees formed by the additional types of providers and multi-provider QA committees which are **already included** in the information protection provisions of HRS § 624-25.5. The records generated by QA committees for the broad scope of providers and multi-provider committees **are already protected** by § 624-25.5.

The Bill does not "unreasonably broaden the scope of the **information to be protected**." The information is already protected by § 624-25.5. It is the participants in the QA process for providers not listed in § 663-1.7 that **are not protected from liability** for their deliberations and decisions, which has a chilling effect on the willingness of those providers to participate in QA discussions.

HAJ has also objected to extending the liability protections for QA activities to a committee established collectively by the protected providers. Again, the information protection provisions of § 624-25.5 already apply to such QA committees, so the addition of that language to HRS § 663-17 as proposed by the bill merely makes the liability protections for participants in QA activities consistent with the existing protections for information generated in the QA process.

Thank you for the opportunity to testify.



The state of

March 28, 2018 at 2:00 PM Conference Room 308

#### **House Committee on Finance**

To: Chair Sylvia Luke

Vice Chair Ty J.K. Cullen

From: Paige Heckathorn

Senior Manager, Legislative Affairs Healthcare Association of Hawaii

Re: Testimony in Support

SB 2487 HD 1, Relating to Health

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 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.

We would like to thank the committee for the opportunity to **support** SB 2487 HD 1, which would standardize the definition of a quality assurance committee in Hawaii Revised Statute. This measure would also enable medical and social service providers to work together, discuss, and propose solutions for the most difficult and complex cases they encounter. It is increasingly apparent that the needs and most pressing healthcare issues facing our communities require a multi-disciplinary response. Enabling dedicated providers and community members to collaborate more fully will promote the information-sharing needed to successfully address the medical and social reasons people fall into poor health.

This legislation will help providers address health disparities, bring down costs, and treat the non-medical determinants of health, and we would ask for your support of this measure. Thank you for your consideration of this matter.

<u>SB-2487-HD-1</u> Submitted on: 3/27/2018 7:59:03 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Elena Cabatu	Hilo Medical Center	Support	No

#### Comments:

Hilo Medical Center stands in full support of SB 2487 HD1.

Submitted on: 3/27/2018 8:44:26 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Mochizuki	East Hawaii Independent Physicians Asociation	Support	No

#### Comments:

Our organization represents over 80 independent physicians on Hawaii Island caring for approximately 55,000 patients. Passage of this bill would allow us to work more effectively with social service agencies, the hospitals and health plans to ensure that our patients receive the right care at the right time and will optimize the care that they receive. Many of our patients' medical problems are exacerbated due to the difficulty coordinating services that already exist in the community. This bill will allow us to collaborate with these agencies and institutions so that the care plans we put in place for our patients are followed. Being able to share information will help all of us improve our processes and policies to improve the health and wellbeing of our patients.

<u>SB-2487-HD-1</u> Submitted on: 3/27/2018 11:39:26 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Hannah Preston-Pita	Big Island Substance Abuse Council	Support	No

Comments:

## **BUILD BETTER**



MICHAEL K. FUJIMOTO – CHAIRMAN, PRESIDENT & CEO SHIPMAN BUSINESS PARK • 16-166 MELEKAHIWA STREET • KEAAU, HAWAII 96749 OFFICE (808) 966-5636 • CELL (808) 936-2373 • FAX (808) 966-7564

March 27, 2018

HOUSE COMMITTEE ON FINANCE Representative Syliva Luke, Chair Representative Ty J.K. Cullen, Vice Chair

#### **Testimony in Support of SB 2487 HD1**

Aloha Committee Members,

Thank you for the opportunity to give testimony in <u>support</u> of **SB 2487 HD1**, related to the definition of Quality Assurance Committees. We support this legislation which would help to more clearly define what agencies and organizations are included in the definition Quality Assurance Committees to allow for a community to have QA discussions with *both* medical and social services providers. This would allow for "an interdisciplinary committee composed of representatives of organizations" to have protected QA discussions to improve the treatment of patients with complex medical and social needs, which is vital for patient wellbeing *and* to keep health care cost down.

This legislation would provide consistent definitions of a QA Committee in two separate but related sections of Hawaii law. As you know, currently representatives of organizations may have QA discussions, but these discussions are not protected. This undermines the essential purpose of the QA statutes which is to create a protected forum where providers can openly and straightforwardly identify areas for improvement in the treatment of patients.

We understand how important an organized and coordinated health network of medical and social service organizations can be for delivering more effective care to those with complex medical and social needs in East Hawaii and in particular the high cost and high needs patients. We respectfully ask for your support of **SB 2487 HD1**, which we feel will result in a healthier East Hawaii.

Mahalo,

Robert M. Fujimoto, Chairman of the Board Emeritus

Jason R. Fujimoto, President & Chief Operating Officer

Michael K. Fujimoto, Chairman and Chief Executive Officer



March 26, 2018

Ms. Sylvia Luke and Members House Committee on Finance

Re: SB 2487, HD1

I am Barry Taniguchi, President and Chairperson of Community First, a non-profit we established in Hilo to find community based solutions to health care problems. Our group consists of the general community, medical and social service stakeholders, along with business and community leaders.

Our current priority is to improve the care for high cost, high need patients. These patients have non-medical, social needs that significantly impact their health outcomes. These needs are addressed by social service providers. As a community we want to improve the coordination of medical and social services for these patients. The ability to have protected quality assurance discussions among medical and social service providers will help us close gaps in the complex network of social and medical services these patients need.

We believe that medical and non-medical social providers working together will save significant amount of resources in the future. As a community we have a compelling reason to decrease avoidable costs. If we don't, the upward utilization trend continues to increase healthcare costs into the future.

Please support our efforts by passing this bill. We also ask that you make the effective date upon approval so we can start working on this problem immediately.

Thank you very much for this opportunity to testify.

Barry K. Taniguchi Chairperson and President, Community First





Submitted on: 3/25/2018 10:34:21 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kenneth Goodenow	Individual	Support	No

#### Comments:

Dear Chair Luke, Vice Chair Cullen and Honorable Members:

I am a volunteer board member for Community First and the Hilo Bay Clinic. I also am a lawyer and have cases that involve indigent clients, many with healthcare problems.

Everyone knows that a small number of patients can consume a large percentage of healthcare resources. The problem is often not about medical services, but a lack of social services to assist people in dealing with their healthcare issues. We need to be able to bring healthcare providers and social service providers together to see how patients can be helped.

I support SB 2487, HD 1, as it will allow for an interchange of ideas and evaluation of where help is needed to support high-need patients comprehensively.

Healthcare is not simply about treating diseases, but rather it is about caring for the health of individuals in our community.

My thanks to the Chair and Committee for hearing Senate Bill 2487. Thank you for your time and service to our community.

Aloha,

Kenneth Goodenow

(808) 961-5155

Submitted on: 3/26/2018 5:17:52 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kristin Frost Albrecht	Individual	Support	No

Comments:

SB 2487 HD 1 3/26/2018

Submitted by: Kristin Frost Albrecht

I STRONGLY SUPPORT SB 2487.

As a daughter with a mother who is currently being cared for in a licensed facility, I believe SB 2487 can make a critical difference in the improvement of care in facilities state-wide. Quality Assurance (QA) Committees provide hospitals, health plans, long term care facilities, and other healthcare organizations with a mechanism to evaluate, monitor and improve quality of care; reduce patient risk and error; and assess the overall effectiveness of care provided to patients. QA committees are well established and essential to our healthcare delivery system. QA committees can already be established in a licensed hospital, clinic, long term care facility, skilled nursing facility, assisted living facility, home care agency, hospice, health maintenance organization, preferred provider organization, preferred provider network providing medical, dental, or optometric care, or an authorized state agency. SB2487 is termed as a bill of "housekeeping" in that it provides liability protection for QA discussions for key healthcare organizations currently not covered in HRS § 624. In doing so, QA and peer review activities to evaluate and improve health care can be conducted in a wider array of health care facilities and providers.

I strongly believe that SB 2487 will enable more organizations and stakeholders to better evaluate and improve our health delivery system.

Please support SB 2487. Thank you for the opportunity to testify.

Kristin Frost Albrecht Hilo, Hawaii Support Testimony for SB 2487, RelatingTo Health

House Committee On Finance—Testimony in Support of SB 2487, Relating To Health

Hearing: Wed., March 28, 2018, 2:00 PM; Conference Rm 308

Chair Sylvia Luke, Vice Chair Ty J.K. Cullen, and Committee Members:

My name is Charlene Iboshi. After retiring as Hawaii County's Prosecuting Attorney, I actively participate on several non-profit and service organizations' Boards. We focus on improving the economic, social and health environment for Hawaii Island and the State. Community First is a non-profit whose mission is to allow the community to find solutions to improve health outcomes and delivery systems, while lowering healthcare costs.

I support SB 2487, which harmonizes the current definitions that provide for interdisciplinary quality assurance committees. These quality assurance committees' objectives include achieving quality outcomes for those served by the health care and service-provider organizations. Additionally, the communications are protected to safeguard patients' interests.

Interdisciplinary models have proven effective in other models adopted by the State. When dealing with complex medical-social issues, candid communication is the key component to successful, long-term outcomes. The written testimony submitted for the March 20<sup>th</sup> Comm. On Consumer Protection and Commerce Hearing by the law firm of Alston, Hunt, Floyd and Ing addresses any legal concerns raised by one special interest group.

Please support the passage of SB 2487. Thank you for considering my testimony.

Charlene Iboshi

Submitted on: 3/25/2018 10:10:27 AM Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carolyn Ma	Individual	Support	No

#### Comments:

I strongly support this bill as a health care professional (pharmacist) and as a leader/administrator (Dean for the Daniel K. Inouye College of Pharmacy, UH Hilo) of a health professional academic program. Pharmacy practice is one of the professions that have become a key partner on inter-disciplinary health care teams. Certainly, pharmacists have long been in practice in the hospital and clinic setting. Other types of health care facilities are now either required by law, to have a pharmacist consultation to review medications in LTC's, or by an institution's desire to achieve "best practice" standards include pharmacy expertise on a regular basis. Establishing quality assurance and monitoring adherence to safety guidelines, adverse drug reactions, safe and effective drug choices, and monitoring for best outcomes is key in assuring highest level of care especially in vulnerable, high need and often times pharmacuetically and medically complex populations such as the elderly, and patients in the palliative care and hospice facilities. Establishing quality assurance committees is a standard method and is absolutely necessary and assures ongoing review and adjustments in best practice can be implemented on a timely and consistent basis.

Mahalo for allowing me to submit testimony on behalf of this bill.

<u>SB-2487-HD-1</u> Submitted on: 3/26/2018 8:18:49 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kerri Okamura	Individual	Support	No

Comments:

<u>SB-2487-HD-1</u> Submitted on: 3/26/2018 6:28:24 AM

Testimony for FIN on 3/28/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Carol R. Ignacio	Individual	Support	No

#### Comments:

Please pass this very important legislation streamling and better coordinating health care for our ohana.

Thank you very much.

Carol R. Ignacio

# TESTIMONY OF NAHELANI WEBSTER ON BEHALF OF THE HAWAII ASSOCIATION FOR JUSTICE IN OPPOSITION TO S.B. NO. 2487, HD1

March 28, 2018 2:00 p.m. Room 308



To: Chair Sylvia Luke and Members of the House Committee on Finance:

My name is Nahelani Webster and I am presenting this testimony on behalf of the Hawaii Association for Justice (HAJ) in opposition to S.B. 2487, HD1.

The purpose of this measure is to make the definitions of quality assurance committee consistent throughout the Hawaii Revised Statutes (HRS). However, our testimony highlights why there is a need to keep these definitions separate and not combine merely for consistency purposes. Should the committee wish to move the measure forward for further discussion we have also included proposed language that would address one of the main concerns.

This measure seeks to expand liability currently given to medical facility "quality assurance committees" to now include long-term care, skilled nursing, assisted living, home care and hospice entities. This is not a good idea for at least the following two reasons:

- 1) Medical facilities such as hospitals and clinics perform a significantly different function with a different standard of care;
- 2) Medical facilities such as hospitals and clinics differ in their licensing requirements due to providing safeguards through reporting mandates required for quality assurance committees. This measure does not currently include reporting

requirements for long-term care, skilled nursing, assisted living, home care, and hospice entities.

Long-term care, assisted living, skilled nursing, home care and hospice entities do not provide the same kind of critical care services and patient care of hospitals. Long-term care facilities, nursing homes and hospices deal with a different situation, different levels of medical care, and an entirely different social problem. Long-term care facilities should constantly strive to improve their services as a normal part of their business responsibilities. Hospice services should do the same, although the nature of those services is oriented more toward comfort rather than treatment. The standard of care, reporting, and licensing requirements are different for each health care entity.

This measure does not address the practical and logistical challenges in including a broader range of entities into the liability statute. HRS 663-1.7 currently includes a reporting requirement for the health care entities listed to report any adverse decision from the quality assurance committee to the Department of Commerce and Consumer Affairs (DCCA). This reporting requirement is critical to ensure quality assurance committees adhere to their purpose of making improvements to the patient care delivery process. We respectfully ask the committee to create the same reporting requirement for new entities.

Reporting and rules for skilled nursing and intermediate care facilities fall under the umbrella of the Department of Health (DOH) - not the DCCA - thus any reporting requirements would be governed by a separate government body not mentioned in this bill. Adding long-term care facilities, assisted living, and hospice entities to the statute requires you to create a necessary reporting process. We respectfully ask that the definitions remain unique in order to match the intent of the statute. However, should this measure need to advance, we respectfully ask the committee to consider adding the following underlined language as a new section after section HRS 663-1.7 (e):

"The final peer review committee of a long-term care facility, skilled nursing facility, assisted living facility, home care agency, hospice, shall report in writing every adverse decision made by it to the department of health; provided that final peer review committee means that body whose actions are final with respect to a particular case; and provided further that in any case where there are levels of review nationally or internationally, the final peer review committee for the purposes of this subsection shall be the final committee in this State. The quality assurance committee shall report in writing to the department of health any information which identifies patient care by any person engaged in a profession or occupation which does not meet long-term care facility, skilled nursing facility, assisted living facility, home care agency, hospice standards and which results in disciplinary action unless such information is immediately transmitted to an established peer review committee. The report shall be filed within thirty business days following an adverse decision. The report shall contain information on the nature of the action, its date, the reasons for, and the circumstances surrounding the action; provided that specific patient identifiers shall be expunged. If a potential adverse decision was superseded by resignation or other voluntary action that was requested or bargained for in lieu of medical

disciplinary action, the report shall so state. The department shall prescribe forms for the submission of reports required by this section. Failure to comply with this subsection shall be a violation punishable by a fine of not less than \$100 for each member of the committee."

Thank you for the opportunity to submit testimony on this measure, we are available if you have any questions.

# (A) current law Re: QA committees

§624-25.5 Proceedings and records of peer review committees and quality assurance committees. (a) As used in this section:

"Case review forum" means any meeting convened by the administrative or professional staff of a licensed hospital or clinic for the presentation

and critique of cases for educational purposes.

"Health care review organization" means any organization that gathers and reviews information relating to the procedures and outcomes of health care providers and the care and treatment of patients for the purposes of evaluating and improving quality and efficiency of health care.

"Licensed health maintenance organization" means a health maintenance

organization licensed in Hawaii under chapter 432D.

"Peer review committee" means a committee created by a professional society, or by the medical, dental, optometric, or administrative staff of a licensed hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network, whose function is to maintain the professional standards of persons engaged in its profession, occupation, specialty, or practice established by the bylaws of the society, hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network of the persons engaged in its profession, occupation, or area of specialty practice, or in its hospital, clinic, health maintenance organization, preferred provider organization, or preferred provider network.

"Preferred provider organization" or "preferred provide means a partnership, association, corporation, or other entidelivers or arranges for the delivery of health services, are entered into a written service arrangement or arrangements to

professionals, a majority of whom are licensed to practice medicine or

osteopathy.

"Professional society" or "society" means any association or other organization of persons engaged in the same profession, occupation, or a specialty within a profession or occupation, a primary purpose of which is to maintain the professional standards of the persons engaged in its profession, occupation, or specialty practice.

"Quality assurance committee" means:

- (1) An interdisciplinary committee established by the board of trustees or administrative staff of a licensed hospital, clinic, long-term care facility, skilled nursing facility, assisted living facility, home care agency, hospice, health maintenance organization, preferred provider organization, preferred provider network providing medical, dental, or optometric care, or an authorized state agency whose function is to monitor and evaluate patient care to identify, study, and correct deficiencies in the health care delivery system, with a goal of reducing the risk of harm to patients, improving patient safety, or otherwise improving the quality of care delivered to patients; or
- (2) An interdisciplinary committee composed of representatives of organizations described in paragraph (1) that is established collectively by the boards of trustees or administrative staff of these organizations, and whose function is to monitor and evaluate patient care to identify, study, and correct deficiencies in the health care delivery system, with a goal of reducing the risk of harm to patients, improving patient safety, or otherwise improving the quality of care delivered to patients.
- (b) The department of health may establish quality assurance committees for the purpose of monitoring, improving, and evaluating patient care within the statewide trauma care systems. The proceedings of quality assurance committees authorized under this subsection shall not be subject

to part I of chapter 92, and, for purposes of chapter 92F, the records of the proceedings shall be confidential.

- (c) Neither the proceedings nor the records of pear review committees, quality assurance committees, or case review forums shall be subject to discovery. For the purposes of this section, "records of quality assurance committees" are limited to recordings, transcripts, minutes, summaries, and reports of committee meetings and conclusions contained therein. Information protected shall not include incident reports, occurrence reports, or similar reports that state facts concerning a specific situation, or records made in the regular course of business by a hospital or other provider of health care. Original sources of information, documents, or records shall not be construed as being immune from discovery or use in any civil proceeding merely because they were presented to, or prepared at the direction of, the committees. Except as hereinafter provided, no person in attendance at a meeting of a committee or case review forum shall be required to testify as to what transpired at the meeting. The prohibition relating to discovery or testimony shall not apply to the statements made by any person in attendance at the meeting who is a party to an action or proceeding the subject matter of which was reviewed at the meeting, or to any person requesting hospital staff privileges, or in any action against an insurance carrier alleging bad faith by the carrier in refusing to accept a settlement offer within the policy limits.
- (d) Information and data relating to a medical error reporting system that is compiled and submitted by a medical provider to a health care review organization for the purpose of evaluating and improving the quality and efficiency of health care, when done through a peer review committee or hospital quality assurance committee, shall not be subject to discovery.

For purposes of this subsection, the information and data protected shall include proceedings and records of a peer review committee, hospital quality assurance committee, or health care review organization that include recordings, transcripts, minutes, and summaries of meetings, conversations, notes, materials, or reports created for, by, or at the direction of a peer review committee, quality assurance committee, or a health care review organization when related to a medical error reporting system.

Information and data protected from discovery shall not include incident reports, occurrence reports, statements, or similar reports that state facts concerning a specific situation and shall not include records made in the regular course of business by a hospital or other provider of health care, including patient medical records. Original sources of information, documents, or records shall not be construed as being immune from discovery or use in any civil proceeding merely because they were reviewed or considered by a medical provider for submission to, or were in fact submitted to, a health care review organization.

- (e) The prohibitions contained in this section shall not apply to medical, dental, or optometric society committees that exceed ten per cent of the membership of the society, nor to any committee if any person serves upon the committee when the person's own conduct or practice is being reviewed.
- (f) The prohibitions contained in this section shall apply to investigations and discovery conducted by the Hawaii medical board, except as required by section 92-17, 453-8.7, or 663-1.7(e). [L 1971, c 207, §1; ren L 1972, c 143, §1(d); am L 1973, c 169, §1; am L 1975, c 170, §1; am L