SCR 169

WRITTEN ONLY

LONG TERM CARE COMMISSION STATE OF HAWAII C/O PUBLIC POLICY CENTER, SAUNDERS HALL UNIVERSITY OF HAWAII AT MANOA HONOLULU, HAWAII 9822

April 1, 2009

Chair and Members Committee on Human Services State Senate State Capitol Honolulu, Hawai'i 96813

Chair and Members Committee on Health State Senate State Capitol Honolulu, Hawai'i 96813

Dear Senators:

Supporting Senate Concurrent Resolution 169 and Senate Resolution 116

The Long-Term Care Commission, established by Act 224, Session Laws of Hawaii 2008, <u>supports</u> the adoption of Senate Concurrent Resolution 169 and Senate Resolution 116, as a matter falling within the scope of Act 224, SLH 2008, under which the Commission functions.

The chronic usage of acute care beds to provide patient care that ought to be supplied by an adequate long-term care system is only one symptom evidencing the insufficiency of long-term care services in Hawai'i. Act 224 charges the Commission with the task of identifying "needed reforms of the long term care system" and exploring "funding options that may help support the provision of long term care services in the future." Clearly, any improvement to or expansion of Hawai'i's long term care system will provide relief to the waitlisting problem. We find it necessary, however, to point out our limitations. The Commission will require funds to do any of the work contemplated by SCR 169 and SR 116. The Commission's work has so far been unfunded by the state, and we have been obliged to seek private support for our work. Funds raised to date from private sources are already earmarked for specific work.

Secondly, just as we recently informed certain Senators that lack of timely funding will delay providing the reports required by Act 224, so we may also have difficulty meeting the reporting requiremints of SCR 169 and SR 116.

Sincerely,

/s/

Stuart T.K. Ho Chairman, Long-Term Care Commission SENATE COMMITTEE ON HUMAN SERVICES Senator Suzanne Chun Oakland, Chair

SENATE COMMITTEE ON HEALTH Senator David Y. Ige, Chair

Conference Room 016 April 2, 2009 at 1:15 p.m.

Testimony in support of SCR 169 / SR 116.

The Healthcare Association of Hawaii advocates for its member organizations that span the entire spectrum of health care, including acute care hospitals, two-thirds of the long term care beds in Hawaii, as well as home care and hospice providers. Thank you for this opportunity to testify in strong support of SCR 169 / SR 116, requesting the Long Term Care Commission to study an increase in Medicaid reimbursements to solve the waitlist problem.

Healthcare Association

On any given day there is an average of 200 patients in hospitals who have been treated so they are well enough to be transferred to long term care, but who are waitlisted because long term care is not available. Waitlisting is undesirable because it represents an inappropriate quality of care for the patient and creates a serious financial drain on hospitals. Patients may be waitlisted from several days to over a year.

The waitlist dilemma is unique to Hawaii, largely because Hawaii has one of the lowest ratios of long term care beds for its population in the United States. Whereas the US average is 47 beds per 1000 people over the age of 65, Hawaii averages 23 (slightly less than half of the US average). The shortage of long term care beds is the result of high costs of construction and operation that are mismatched with low payments for services.

Recognizing the waitlist problem, the Legislature in 2007 adopted SCR 198, which requested the Healthcare Association of Hawali (HAH) to study the problem and propose solutions. HAH subsequently created a task force for that purpose. The task force requested HAH to contract with a consultant to gather needed information. The information was not fully available in time for the 2008 session, so an Interim report was submitted last year.

Also in 2008 the Legislature adopted HCR 53, which requested the Healthcare Association to continue to study the waitlist problem. The task force prepared a final report to the 2009 Legislature, and certain recommendations of that report are contained in bills that have been introduced this session.

Last year the Legislature also created the Long Term Care Commission, whose purpose is to develop a comprehensive plan to create the infrastructure for a full continuum of long term care services. The Long Term Care Commission should consider the waitlist problem in developing its comprehensive plan.

For the foregoing reasons the Healthcare Association strongly supports SCR 169 / SR 116.

TESTIMONY TO THE TWENTY-FIFTH STATE LEGISLATURE, 2009 SESSION

- To: Senate Committee on Human Services Senate Committee on Health:
- From: Hawaii Disability Rights Center Re: SCR 169/ SR116
- Hearing: Thursday , April 2, 2009 1:15 PM Conference Room 016, State Capitol

Members of the Committee on Human Services: Members of the Committee on Health:

Thank you for the opportunity to provide testimony supporting SCR 169 and SR 116.

We are the agency mandated by federal law and designated by Executive Order to protect and advocate for the human, civil and legal rights of Hawaii's estimated 180,000 people with disabilities.

We have had a lot of involvement in the issue of waitlisted patients, awaiting placement in community settings. The legislature has seen many examples in the past year or two of the long waitlist for community housing experienced by patients in acute facilities. In addition, briefings were provided by the Healthcare Association on the problems of placing "challenging" patients into community settings. This followed their extensive study of this issue. Regarding the payment to hospitals of long term care based reimbursement rates, we are certainly sympathetic to the economic plight faced by the hospitals who are not receiving adequate reimbursement for these patients who really do not need to even be in the hospital after a point. They are often torn between the financial realties they face and the general ethic they do possess which directs them to want to treat and care for these individuals. Any assistance the legislature can render will not only help these facilities; it will also make it more likely that these patients will continue to receive adequate care while they are developing an appropriate community placement discharge plan. It will alleviate the pressure hospitals may feel to attempt a premature, potentially inappropriate discharge.

While we would prefer to see the legislature take direct action to alleviate this problem, we recognize that in an economic downturn that may not be feasible. We do believe it is important to keep this issue in the forefront and having the Long Term Care Commission review this matter will accomplish that. For those reason, we support these Resolutions.