

Testimony of Joan Danieley Vice President, Health Plan Administration

Before:

House Committee on Health The Honorable Ryan I. Yamane, Chair The Honorable Dee Morikawa, Vice Chair

> April 21, 2011 2:00 pm Conference Room 309

Re: SCR 127 SD1- REQUESTING THE CONVENING OF A LEGISLATIVE WORKING GROUP TO EVALUATE AND MAKE RECOMMENDATIONS REGARDING THE POLICIES AND PROCEDURES OF THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY AND PREPARATION OF AND AMENDMENTS TO THE STATE HEALTH SERVICES AND FACILITIES PLAN.

Chair, Vice Chair, and committee members, thank you for this opportunity to provide testimony on SCR 127. My name is Joan Danieley and I am Vice President, Health Plan Administration, for Kaiser Permanente Hawaii (Kaiser).

Kaiser Permanente Hawaii supports the intent of this amended resolution to consider the policies and procedures of SHPDA.

When the Senate Committee on Health heard this resolution, they gave the testifiers the opportunity to work together to create some compromise language. We were glad to be part of that effort. We did not support the original language of the resolution. However, this draft provides a proposal that more broadly considers the current state of SHPDA and how it might be improved. If the legislature desires to review the processes of SHPDA and the laws governing it Kaiser would be happy to be part of those discussions.

We appreciate the language in this draft, in the second "be it resolved", that makes it clear that this resolution is not to be used in any legal dispute. This frees all parties to discuss this without fear of it affecting any proceedings related to the certificate of need process. Without this language Kaiser would not support this resolution. Our concern would be that previously granted certificates of need that are being acted upon might be affected which could harm the organizations who were granted these CON's and their patients.

We would like to note that the resolution does not make clear that federal law requiring health planning was repealed by Public Law 99-660 in 1986. While it may be the desire of the legislature to show in this resolution the timeline for the development of health planning agencies it is important to be complete by including this information about the laws repeal. We urge you to include an additional "Whereas" paragraph to reference this action by the federal government.

Thank you for the opportunity to submit this testimony.

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The Honorable Kyle Yamashita Chair - Committee on Legislative Management Hawaii State House of Representatives Honolulu, Hawaii 96813

**RE:** Testimony in Support for SCR 127

Committee on Legislative Management Hearing Conference Room 309 April 21, 2011 2:00 PM

Chair Yamashita and Committee Members:

My name is Glen Hayashida and I am the Chief Executive Officer for the National Kidney Foundation of Hawaii. We are a major voluntary organization that maintains an advocate's position when it comes to health care prevention and improving the quality of life for the people of Hawaii. We work closely with providers and patients to accomplish this and, for the most part, always try to maintain a neutral position in an otherwise competitive cooperative healthcare environment.

However, in the last several months I have personally witnessed an unprecedented amount of aggressive posturing amongst healthcare organizations, involved or wanting to be involved, in Hawaii's kidney dialysis market. This is most unfortunate because the task of providing the best care and environment for our patients has been mixed with this feudal aggression. Surely this is not the best environment for us here in the Aloha state to be involved in. Because of the role we play in the healthcare community I've done my best to identify the genesis of this problem and would like to share my thoughts with you related to this.

In the past, when changes were to be made related to Hawaii's healthcare vision in SHPDA we, along with the affected providers, would be invited to participate in the process. By doing this it was an inclusive effort that fostered a sense of collaboration between the regulating agency and healthcare providers. However, in the most recent development of amendments for Hawaii's Health Services and Facilities plan this was not the case. The amendments were developed without any request for input from affected dialysis providers. This created a sense of chaotic confusion and frustration.

In comparing SHPDA's methodology since the early 1980's I would say that inclusion rather than exclusion is a better formula for success. Senate Concurrent Resolution 127 supports the sunshine law be applied to SHPDA and therefore I humbly urge you to vote in the affirmative.