

MAR 12 2012

SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF HEALTH TO DEVELOP A PILOT DEMONSTRATION PROGRAM FOCUSED ON THE TOP FIVE PERCENT OF MEDICAID BENEFICIARIES WHOSE CARE NEEDS ACCOUNT FOR A SIGNIFICANT PORTION OF MEDICAID EXPENDITURES IN THE STATE.

1 WHEREAS, a small proportion of the total population in the
2 United States accounts for half of all medical spending in the
3 country -- according to a report by the federal Agency for
4 Healthcare Research and Quality, five percent of the United
5 States population that spent the most on health care accounted
6 for forty-nine percent of total health care spending; and
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8 WHEREAS, according to the same report, the fifteen most
9 expensive health conditions in the United States account for
10 forty-four percent of total health care spending, and expenses
11 for individuals with five or more chronic conditions are
12 approximately fourteen times greater than spending for
13 individuals without any chronic conditions; and
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15 WHEREAS, potentially avoidable costs are considered to be
16 the result of care defects, or health problems resulting in
17 technical care under the professionals' control which could have
18 been avoided by following best professional standards, and these
19 potentially avoidable costs account for twenty-two percent of
20 all private-sector health care expenditures in the United
21 States; and
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23 WHEREAS, information from health care claims, hospital
24 records, and emergency service providers can help identify high
25 cost beneficiaries for coordinated outpatient and social
26 services; and
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28 WHEREAS, a high level of outpatient care includes
29 strengthening relationships with patients; a comprehensive team
30 of providers, nurse practitioners, social workers, community



1 workers, and emergency department personnel; and connections to
2 social services such as housing, home visits, and meals; and
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4 WHEREAS, a Medicare demonstration project designed to
5 improve coordination of care for the most chronically expensive
6 patients at a Boston, Massachusetts, hospital resulted in
7 hospital stays and emergency room visits dropping by more than
8 fifteen percent; and
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10 WHEREAS, care management programs that focus on
11 coordination of care for the most chronically expensive
12 beneficiaries can incentivize and reward unrelated providers in
13 a fee-for-service environment, reduce potentially avoidable
14 costs due to care defects, reduce emergency room admissions, and
15 create better health outcomes and cost savings; now, therefore,
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17 BE IT RESOLVED by the Senate of the Twenty-sixth
18 Legislature of the State of Hawaii, Regular Session of 2012, the
19 House of Representatives concurring, that the Department of
20 Human Services and the Department of Health are requested to
21 develop a two-year pilot demonstration program that is focused
22 on the top five percent of Medicaid beneficiaries whose care
23 needs account for a significant portion of Medicaid expenditures
24 in the State; and
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26 BE IT FURTHER RESOLVED that the pilot demonstration program
27 coordinate services to the highest need, highest cost Medicaid
28 beneficiaries; include an outpatient care component with
29 comprehensive health care and social services; and identify
30 methods of reducing potentially avoidable costs due to care
31 defects and emergency room admissions; and
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33 BE IT FURTHER RESOLVED that the Department of Human
34 Services and the Department of Health are requested to report on
35 the status of the pilot demonstration program no later than
36 twenty days prior to the convening of the Regular Session of
37 2014; and
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1 BE IT FURTHER RESOLVED that certified copies of this
2 Concurrent Resolution be transmitted to the Director of Human
3 Services and the Director of Health.
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OFFERED BY:







