

To: Maui Health Care Initiative Task Force

From: Acute, Primary and Emergency Care Committee

Date: November 3, 21007

Re: Findings, Conclusions and Recommendations

I. Summary of Conclusions and Recommendations

The Primary, Acute and Emergency Care Committee (“the Committee” hereafter) has heard public testimony, reviewed case studies and written reports, received data and information from a variety of inside and outside experts, and convened as a subcommittee to review, discuss and evaluate Maui County’s acute, primary and emergency health care needs, now and in the future. Based on this work, the following key service and infrastructure needs have been identified and prioritized and are recommended to the Task Force for discussion and adoption:

A. Health Care Service Needs (listed in order of priority):

Priority 1. Emergency Care and Transportation

Priority 2.

a. Mental Health Care

b. Dental Services

Priority 3.

a. Pediatric/Obstetrical Care/Neonatal Resuscitation Team

b. Health Promotion and Disease Prevention

Priority 4. Pharmacy Services

Priority 5. Other identified health care services of need: oncology; stroke and neurological services; dialysis; cardiac care; ophthalmology services; and orthopedics.

B. Infrastructure Needs (listed in order of priority):

Priority 1. Modern Facilities, including long term care beds, acute care beds, regional emergency facilities and a West Maui Critical Access Hospital

Priority 2. Reimbursement from Medicare, Medicaid and third party insurers

Priority 3. Workforce development

Priority 4. Other identified health care infrastructure areas of need: technology (i.e., digital imaging and telemedicine capabilities), creative health care financing (i.e., public/private partnerships), regulatory changes (i.e., CON law) and case management systems

II. Discussion and Findings

A. Health Care Service Needs

1. Emergency Care and Transport

The need for emergency care and transport is most evident in West Maui where there are no emergency care facilities despite the presence of a significant number of residents and tourists. Population projections for West Maui indicate the area will experience significant population growth over the next ten to twenty years.

Although Lana'i reports success with stabilization and transport of emergency cases, the facility is in need of an upgrade and funds allocated to upgrade its ER are reportedly being withheld. Lana'i also reports a need to have digitized diagnostic equipment to enable it to share information with outside health care providers when emergency care is needed. The same can be said for all remote areas of Maui County: digitized diagnostic equipment can enable remote consultation in an era of provider shortages, potentially improving emergency care in all regions of the county.

Moloka'i General Hospital reports very good emergency care and transport to Oahu or Maui medical centers as a result of its partnership with Queens Medical Center. However, it relies/depends on "off-island" emergency room physicians in addition to laboratory and radiology technicians for coverage.

Maui Memorial Medical Center's ("MMMC" hereafter) Emergency Department is in the process of being upgraded and expanded. This will provide additional capacity and enable better triage of patients presenting to the ER. However, this facility, while centrally located, remains remote from other areas of the island, such as Hana, and other remote locations within the County, including Kaho'olawe. As a consequence, and in support of better access to emergency care county-wide, better, integrated emergency transport services are recommended to facilitate transport of emergency cases to MMMC. Specifically, appropriate helicopter landing sites are absent from the delivery system, including a site at MMMC. In addition, the emergency helicopter crew is located at Kula Hospital while the helicopter is located at the Kahului Airport. Finally, since emergency stroke and cardiac cases are increasingly being transported from the Island of Hawai'i to Maui, the Committee recommends that improvements in the

emergency transport system include the Big Island as well as transport services directly to tertiary care hospitals on Oahu.

Finally, orthopedic and ophthalmologic care is difficult to obtain in the ER at MMMC.

2. Mental Health Service Needs

Mental health service needs exist in a variety of settings and populations, including the following (not listed in order of priority):

Veterans returning from the war in Iraq will predictably have a need for mental health services. Although a V.A. representative testified that veteran's mental health needs are being address through a variety of creative means, including tele-psychiatry, she also reported that many veterans needing mental health services do not seek help.

Second, because Maui's population is aging and seniors are relocating from other areas of the country to retire in Hawai'i, there will be a need for additional memory care services, including respite care.

Third, Dr. Lorrin Pang testified that the prevalent use of "ice" in Maui County will produce a generation of people with mental incapacities in need of mental health care services. The needs of this population will compete with the needs of seniors, persons with disabilities, and the general population for similar services, thereby exacerbating the mental health care services deficit.

Fourth, due to low reimbursement for adult and child/adolescent psychiatry services, access to psychiatrists is limited. Psychiatric care for this population consequently defaults to primary care physicians who lack the formal training to appropriately respond to the psychiatric needs that exist. Greater use of psychologists may help ease psychiatric care needs. This may include allowing psychologists to manage particular kinds of cases or events and to prescribe specified medications, subject to appropriate regulation, training and oversight.

Fifth, Hana and Moloka'i are designated by the federal government as Mental Health Professional Shortage Areas.

Finally, there is a need for inpatient psychiatric/geriatric beds to provide adult, adolescent, geriatric and substance abuse care and treatment.

3. Dental Care Needs

Dr. LorrinPang testified that according to the United States Surgeon General, oral health is the leading medical problem facing the United States. Several studies have shown a link between periodontal disease and diabetes, cardiac disease and other serious health conditions.

In Maui County, access to dental care for the elderly, the indigent, Native Hawaiians and those with Quest or Medicaid is extremely limited if not non-existent. Even HMSA dental plan enrollees are reported having difficulty accessing dental care due to low provider reimbursement rates and administrative hassles. Maui County has been designated a Dental Health Professional Shortage Area by HRSA.

Of note, Maui County's water is not fluoridated. Fluoridation has been shown to be the most effective and least expensive method to decrease dental decay. According to the HMSA's 2007 Trends report, 33% of children in Hawaii have unmet dental treatment needs; 72.7% of Hawaii's 6-8 year olds have one or more cavities compared to 35% nationally; 15.8% of Hawaii's 5 year olds (32.67% of Moloka'i children, 32.19% of Filipinos and 20.79% of Native Hawaiians) have "baby bottle" tooth decay compared to 5% for mainland children.

4. Pediatric and Obstetric Care/Neonatal Resuscitation Team Needs

There is a need for a larger birthing center for mothers, family members and newborns. Such a center would promote continuity of care and improved outcomes for mothers, babies and family members alike.

In addition, there is a need for an in-house, 24/7/365 coordinated, trained neonatal resuscitation team to respond to emergency newborn respiratory conditions that require resuscitation and special management. This will enhance stabilization and improve outcomes for the neonatal population.

Finally, there is also a need for in-house anesthesia services as well as in-house OB hospitalist services, which along with an in-house neonatal resuscitation team would provide emergency delivery interventional services with consequent improved neonatal outcomes.

5. Health Promotion and Disease Prevention Needs

The "Maui Bed Needs Study, 2005 – 2025," reports that "The better the primary care system works, the fewer hospitalizations (and acute care beds) are required for these conditions." These are referred to in the study as "potentially preventable hospitalizations." According to the study, in 2002, 13% of all discharges from MMMC represented potentially preventable diseases. Specific diseases subject to better preventive management include diabetes, bacterial pneumonia, cellulitis and congestive heart failure.

Some segments of our population are at particular risk and would benefit from intensified/focused health promotion and disease prevention programs. Of note, the life expectancy of Native Hawaiians is significantly less than that of other populations.

Eighteen percent of Native Hawaiians die before reaching age 45, 2.5 times higher than the death rate of other ethnic groups. Native Hawaiians experience higher death rates than the general population from cancer (50% higher), diabetes (119% higher), heart disease (86% higher), cerebrovascular disease (64% higher), other circulatory diseases (46% higher), chronic lower respiratory disease (52% higher) and nephritis and nephrosis (140%).

6. Pharmacy Service Needs

Lana'i reports having no after hours pharmacy service, with some limited tele-pharmacy services in partnership with a pharmacy on Kaua'i. West Maui reports no pharmacy open after 5 pm. All areas of Maui County face similar circumstances, either currently or anticipated, not to mention lack of late night pharmacy access at MMMC itself due to the shrinking numbers of pharmacists available on Maui.

Overall, Hawai'i and the nation face a current and expected shortage of pharmacists. This might be remedied with the startup of the pharmacy school at University of Hawai'i at Hilo, which has ninety students in its first cohort.

7. Other Service Needs

a. Oncology Services – The Committee noted a need for infusion therapy support due to significant financial risks and burdens associated with stocking infusion drugs and providing the service.

b. Stroke/Neurology – MMMC has a state of the art stroke program. However, there is a need for neurologists.

c. Dialysis – Many of the dialysis needs are being met, but there are gaps, such as Hana, where 4 diabetics needing dialysis treatment have to travel to and from Hana to Central Maui for treatment three times a week. Improved transportation services may improve access to dialysis treatment and for emergency support.

Moloka'i Dialysis Center reports a total of twenty seven patients, twenty two with diabetes, including twelve Native Hawaiians. Native Hawaiians experience a death rate from diabetes that is more than twice that of the general population (see above).

Renal dialysis diagnosis for inpatient acute and observation discharges at MMMC have doubled in the past five years.

d. Cardiac Care – The Committee noted that MMMC plans to expand cardiac care services significantly and that a CON for a heart center has been approved along with enabling legislation providing \$100,000,000 in funding for facilities and equipment. It merits attention here because the service is currently not available to the extent

needed by the community and as Maui's population ages, this will become even more important. The Subcommittee also found that a full cardiac program will likely elevate the whole performance level of the hospital, to the benefit of many.

e. Ophthalmology Services – It is noted that ophthalmology services are not readily available in the emergency room.

f. Orthopedic Services – While recognizing that access to orthopedic care is an issue state-wide and nation-wide, it is nonetheless needed to provide emergency care at MMMC and in short supply.

B. Infrastructure Needs

1. Modern Facilities

Citing the “Maui Bed Need Study, 2005 – 2025,” Act 219 states that Maui County needs additional acute care beds and services. Act 219 also states that the Maui Health Care Initiative Task Force is to develop a comprehensive strategic health plan that will help to expedite “. . .the approval of new acute care facilities and medical or emergency services on the island of Maui.” As facilities age, depreciation occurs and must be considered and anticipated as part of the community's cost of providing quality health care to its citizens.

The Maui Bed Need Study found that “wait-listed” stays at MMMC are a particular problem. “Wait listed patients are defined as hospital inpatients no longer requiring acute care and ready to be discharged to a lower level of care, usually an SNF or ICF, but for whom no capacity exists to enable transfer, or the patients it not acceptable to the available provider of care.” Testimony presented to the Task Force indicated that the number of wait list patients is increasing. Additionally, the population is aging, which is likely to exacerbate the wait list problem.

it is recommended that the Maui County health care plan include steps to modernize facilities and increase bed capacity, giving consideration to all forms of financing, including, but not limited to, private financing, joint ventures and partnerships.

a. Long Term Care Beds

Based on (1) the Maui Bed Need Study, (2) the existence of wait-list patients occupying acute care beds, (3) testimony by a veterans' activist regarding the need for long term care beds for veterans, and (4) population projection data showing the number of Maui's elderly growing significantly in the next ten to twenty years, long term care beds are needed now and in the future. The Committee recognizes a particular need for long term care beds in West Maui, which might also serve to anchor/draw other health care facilities and personnel to the region.

b. Acute Care Beds

An acute care bed shortage exists in large part due to wait-listed patients at MMMC. Resolution of wait-list patient beds will greatly aid acute care bed access but will not eliminate the need for additional acute care beds. Projected population growth, an aging population and increasing regionalization of hospital services, including expanded cooperative relationships with the island of Hawai'i, point to a need for additional acute care capacity.

The location of these beds should be considered in the context of development of satellite facilities. Additionally, discussion of acute care bed needs should take into account appropriate facilities, equipment and staffing needs so that quality of care is elevated as capacity is increased

c. Regional ERs

Due to the rural and remote nature of much of Maui County, dispersed emergency stabilization and transportation services are needed beyond those that exist today. Comments above under the category of emergency service needs are incorporated here by reference.

d. West Maui Critical Access Hospital Need

West Maui has no medical facilities beyond individual physician offices, medical clinics and an after hours urgent care clinic operated by Maui Medical Group, supplemented by funds from the State of Hawaii. Given the population in the area, consisting of both residents and tourists, and given projected growth for the region, the Committee finds that a small critical access hospital ("CAH" hereafter) would serve the needs of the community well and could grow as the community's medical needs mature. The exact size, number of beds and location of such a facility was not defined by the Subcommittee. However, it appears that the region meets the criteria for a CAH. A CAH could access reimbursement that would provide some financial relief, while recognizing that, on average, CAHs in Hawaii operate at a greater than 10% loss. In turn, a CAH would provide relief for MMMC's emergency facility, provide some relief in the event of a disaster, could provide access to care in the event of road closure, and provide comfort for the West Maui community that its health care needs are being addressed.

2. Reimbursement Needs

Many sources reported that reimbursement by Medicare, Medicaid and third party payers is inadequate to sustain Maui's health care system. The State of Hawaii's Medicare designation and inadequate funding of the Medicaid program are noted to be

a large part of the problem. The subcommittee heard testimony by a representative of the Hawaii Health Information Corporation that all hospitals in Hawaii have suffered losses the past 6 quarters. Because a significant portion of revenue supporting hospital and long term care facilities comes from Medicare and Medicaid, inadequate funding from these sources threatens the viability and sustainability of Maui's facilities and contributes to facility congestion and inefficiency.

The Chief Executive Officer of MMMC reported that Medicare and Medicaid reimbursement falls significantly short of covering the cost of care for these patients. Third party payers also now pay less than cost.

Physicians reported that reimbursement from HMSA is not adequate and that physician recruitment and retention is hampered as a result. Dwindling physician ranks due to inadequate recruitment and retention along with an aging physician population threaten access to care. Unless provider and facility payments are increased, Maui County's health care system will remain in severe jeopardy.

Health care premium charged in Hawaii is lower than that charged nationally (despite Hawaii having a high cost of living compared to the mainland). Low premium leads to low reimbursement to providers and facilities. While acknowledging that affordability of health care coverage is, in large part, tied to the cost of insurance, inadequate provider and facility reimbursement renders a health care system unsustainable. Balance needs to be achieved. Currently, the system is out of balance and needs to be adjusted; facility and provider reimbursements need to be increased.

3. Workforce Needs

Workforce shortages are faced throughout the County, driven by a number of factors: low reimbursement, high cost of housing, high cost of living, rural community life, facilities in need of upgrade, poor public schools, etc. On a more positive note, opportunities exist to increase the work force by expanding the enrollment and retention efforts for nursing students at Maui Community College, attracting pharmacists to Maui from U.H. Hilo's graduate program, enticing young people to better careers in health care that offer a "living wage", and perhaps through a Maui-based residency program for physicians. Upgraded facilities, like the proposed Heart, Brain and Vascular and associated improvements will also help to attract physicians, nurses and medical technicians to Maui County. The fact is that without a sufficient workforce, the needs described in this subcommittee report cannot be met.

4. Other Needs

a. Technology – All diagnostic equipment in all areas needs to be digitized. An improved CT scan is needed for MMMC. Investment in telemedicine capability would

help address health care provider shortages, particularly in remote areas of the county. Lana'i reports a need for digitized diagnostic equipment to facilitate information sharing with outside experts, particularly when emergency care is needed. Digitized diagnostic equipment enabling remote consultation in an era of provider shortages is needed for all regions of Maui County.

b. Creative Health Care Financing (Public/Private Partnerships) – The subcommittee is concerned that without opening channels to private equity, Maui County may be unable to meet its health care needs. Depending largely on state largesse may not produce a winning system, particularly in a down economy.

c. Case Management – Organized systems of care management can improve health, increase consumer satisfaction while reducing system costs and utilization.

Respectfully submitted,

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