

STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

**SHPDA
ORIENTATION**

SHPDA AGENCY'S MISSION

**TO PROMOTE ACCESSIBILITY FOR
ALL PEOPLE OF THE STATE TO
QUALITY HEALTHCARE SERVICES AT
REASONABLE COST**

SHPDA RESPONSIBILITIES

- **STATE HEALTH PLAN**
{HEALTH SERVICES AND FACILITIES PLAN (HSFP)}
- **RESEARCH AND DATA**
- **SPECIAL PROJECTS**
- **ADMINISTRATION OF CERTIFICATE OF
NEED PROCESS (CON)**

SHPDA

- **1960'S OFFICE OF COMPREHENSIVE HEALTH PLANNING PART OF DOH**
- **1974 SHPDA CREATED AS A SEPARATE STATE AGENCY**
- **PLANNING ACTIVITIES ARE BUILT AROUND COMMUNITY INPUT**

SHPDA

- **SUBAREA HEALTH PLANNING COUNCILS (SACs)**
- **STATEWIDE HEALTH COORDINATING COUNCIL (SHCC)**

SHPDA

SACs & SHCC MEMBERS

- **GOVERNOR APPOINTS MEMBERS TO FOUR YEAR TERMS; REQUIRES SENATE CONFIRMATION**
- **MEMBERS MAY SERVE 2 CONSECUTIVE TERMS OR 8 YEARS TOTAL**
- **MEMBERS REPRESENT CONSUMERS, HEALTHCARE PROVIDERS, BUSINESS, LABOR AND OTHER PROFESSIONALS**

SHPDA

SIX SUBAREA HEALTH PLANNING COUNCILS

- **HAWAII COUNTY SAC**
- **TRI-ISLE SAC**
- **KAUAI COUNTY SAC**
- **WEST OAHU SAC**
- **WINDWARD OAHU SAC**
- **HONOLULU SAC**

SHPDA

SAC RESPONSIBILITIES

- **PROVIDE SPECIFIC RECOMMENDATIONS REGARDING THE HIGHEST PRIORITIES FOR HEALTH SERVICES AND RESOURCE DEVELOPMENT**
- **REVIEW THE STATE HEALTH PLAN FOR THEIR RESPECTIVE SUBAREA AND MAKE RECOMMENDATIONS**
- **ADVISING SHPDA ON CON APPLICATIONS IN THEIR REGION**

SHPDA

SHCC RESPONSIBILITIES

- **PREPARE AND REVISE THE HEALTH SERVICES AND FACILITIES PLAN**
- **ADVISE THE AGENCY ON HEALTH PLANNING AND DEVELOPMENT ACTIVITIES**
- **REVIEW AND COMMENT ON CON APPLICATIONS**

STATE HEALTH PLAN

CURRENT STATUS OF HEALTH PLAN

SHCC HAS COMPLETED:

- CHAPTER 1: INTRODUCTION
- CHAPTER 2: THRESHOLDS
- CHAPTER 3: PRIORITIES

FUTURE CHAPTERS CURRENTLY UNDER DEVELOPMENT

- LONG-TERM CARE
- PRIMARY CARE
- BEHAVIORAL HEALTH

STATE HEALTH PLAN

PROCESS

- THE FIRST THREE CHAPTERS ARE COMPLETE
- SHCC HAS REVIEWED
- SAC'S HAVE REVIEWED
- PUBLIC HEARINGS HAVE BEEN HELD
- SHCC HAS APPROVED OF PLAN

RESEARCH & DATA BED UTILIZATION

ACUTE CARE, LONG TERM CARE AND SPECIAL BEDS BY FACILITY

- **TOTAL APPROVED BEDS**
- **TOTAL LICENSED BEDS**
- **TOTAL STAFFED BEDS**
- **TOTAL INPATIENT DAYS**
- **TOTAL ADMISSIONS**

RESEARCH & DATA RATE MONITORING

- ROOM RATES FOR ACUTE CARE LONG TERM CARE AND SPECIAL TREATMENT BEDS BY FACILITY
- WAITLISTED PATIENTS IN ACUTE CARE BEDS AND LONG TERM CARE BEDS BY FACILITY

RESEARCH & DATA TECHNOLOGY UTILIZATION

- CT
- GENERAL RADIOLOGY
- ULTRASOUND
- NUCLEAR MEDICINE
- ANGIOGRAPHY
- MAMMOGRAPHY
- PET
- LITHOTRIPSY
- GAMMA KNIFE
- RADIATION THERAPY
- MRI

RESEARCH & DATA SERVICE UTILIZATION

- HEMODIALYSIS
- ADULT & PEDS CARDIAC CATH
- PERCUTANEOUS CORONARY INTERVENTION
- ADULT & PEDS OPEN HEART SURGERY
- OPERATING ROOM UTILIZATION

SPECIAL PROJECTS

**THE GOVERNOR AND LEGISLATURE
MAY ASSIGN SHPDA SPECIAL
PROJECTS**

- **WORKED WITH MAUI TASK FORCE**
- **CURRENTLY WORKING WITH JABSOM
ON WORKFORCE STUDY**

CERTIFICATE OF NEED

CON HISTORY

- **IN 1965 CONGRESS PASSED MEDICARE AS PART OF THE SOCIAL SECURITY ACT**
- **THIS ACT SERVED AS A CATALYST FOR HOSPITAL EXPANSION**
- **COST BASED REIMBURSEMENT**
- **HEALTH CARE EXPENDITURES INCREASED FROM 5.2% TO 7.2% OF GNP**
- **38.5% INCREASE IN FIVE YEARS**

CERTIFICATE OF NEED CON HISTORY

- **HOSPITALS BEGAN TO OFFER THE LATEST TECHNOLOGY AND SERVICES**
- **SOMETIMES THIS WAS DONE WITHOUT REGARDS FOR ACTUAL COMMUNITY NEED**
- **AS A RESULT CONGRESS WANTED TO GET GREATER CONTROL OVER HEALTHCARE EXPENDITURES**

CERTIFICATE OF NEED

CON HISTORY

- IN 1966 NEW YORK STATE ESTABLISHED A CON LAW AND MARYLAND, RHODE ISLAND AND WASHINGTON, D.C. FOLLOWED
- 1972 CONGRESS ENCOURAGED STATES TO SET UP CON BY DENYING REIMBURSEMENT FOR DEPRECIATION AND INTEREST IF PROJECTS WERE NOT APPROVED BY STATE HEALTH PLANNING AGENCY
- AS A RESULT APPROXIMATELY 50% ESTABLISHED CON PROGRAMS

CERTIFICATE OF NEED

CON HISTORY

- **IN 1974 CONGRESS PASSED THE NATIONAL HEALTH PLANNING AND RESOURCES DEVELOPMENT ACT (NHPRDA) REQUIRING ALL STATES TO ESTABLISH CON PROGRAMS**

CERTIFICATE OF NEED CON HISTORY

- **1974 ACT 209 CREATED HAWAII'S CON PROCESS**
- **1997 ACT 336 REDEFINED AGENCY'S PRINCIPLE FUNCTION AS PROMOTING ACCESSIBILITY TO QUALITY HEALTHCARE AT REASONABLE COST.**
- **ACT 336 ALSO STREAMLINED HAWAII'S CON PROCESS**



CERTIFICATE OF NEED CON HISTORY

- **1980'S MEDICARE ADOPTS PROSPECTIVE PAYMENT SYSTEM**
- **1986 NHPRDA EXPIRES**
- **AS A RESULT A NUMBER OF STATES REPEALED OR MODIFIED CON STATUTES**

CERTIFICATE OF NEED

CON CONTROVERSY

- 1986 TO 2008 14 STATES ELIMINATED CON PROCESS
- 2004 FEDERAL TRADE COMMISSION RECOMMENDS THAT STATES CONSIDER REPEALING CON LAWS
- RISE OF OUTPATIENT SURGICAL CENTERS AND SPECIALTY HOSPITALS

CERTIFICATE OF NEED

- **TODAY 36 STATES & THE DISTRICT OF COLUMBIA HAVE CON PROCESS**
- **HAWAII RANKS IN THE MIDDLE IN TERMS OF HEALTH CARE SERVICES REGULATED**

CERTIFICATE OF NEED

PROCESS

- APPLICATION IS REVIEWED BY SHPDA FOR COMPLETENESS
- APPLICANT WILL BE ASKED TO PROVIDE ADDITIONAL INFORMATION IF REQUIRED.
- THE PROCESS TAKES 90 DAYS FROM RECEIPT OF A COMPETED APPLICATION

CERTIFICATE OF NEED

PROCESS

- SAC REVIEWS
- CON REVIEW PANEL REVIEWS
- SHCC REVIEWS
- SHPDA ADMINISTRATOR MAKES DECISION

CERTIFICATE OF NEED

PROCESS

- RELATIONSHIP TO THE STATE HEALTH PLAN
- NEED AND ACCESSIBILITY
- QUALITY OF SERVICE/CARE
- COST AND FINANCE
- RELATIONSHIP TO EXISTING HEALTHCARE SYSTEM
- AVAILABILITY OF RESOURCES

CERTIFICATE OF NEED

APPEAL PROCESS

- REQUEST THAT DECISION BE REVIEWED BY THE RECONSIDERATION COMMITTEE (MUST MEET CRITERIA TO BE RECONSIDERED)
- APPEAL TO CIRCUIT COURT FOR JUDICIAL REVIEW OF THE DECISION

HEALTH CARE TODAY

HOSPITAL BEDS (2006)

- US: 2.9 BEDS PER 1000
- HAWAII: 2.1 BEDS PER 1000 (-28%)

LTC BEDS

- US: 49 BEDS PER 1000 AGE 65+
- HAWAII: 24 BEDS PER 1000 AGE 65+
(-51%)

HEALTH CARE TODAY

LTC OCCUPANCY

- UNITED STATES: 82.6%
- HAWAII: 93.8%

WAIT LISTED PATIENTS

- HAWAII: 170+ DAILY (2007)

HEALTH CARE TODAY

POPULATION 65+ IN 2005

- UNITED STATES: 12.4%
- HAWAII: 13.7% (+11%)

POPULATION 65+ IN 2020

- UNITED STATES: 16.3% (+31% in 15 yrs)
- HAWAII: 18.7% (+15%) (+36% in 15 yrs)



HEALTH CARE TODAY

PHYSICIANS

- SHORTAGE
- MAL-DISTRIBUTION
- MOST ACUTE ON NEIGHBOR ISLANDS

NURSING & ALLIED HEALTH

- SHORTAGE IN VIRTUALLY ALL PROFESSIONS

HEALTH CARE TODAY

REIMBURSEMENT FOR PATIENT SERVICES

- US: 105% OF COST
- HAWAII: 95% OF COST

HEALTH CARE TODAY

ECONOMIC HEALTH OF INDUSTRY

- ACUTE CARE PROVIDERS ARE HAVING NEGATIVE MARGINS FROM OPERATIONS
- LACK OF INVESTMENT IN INFRASTRUCTURE
- LACK OF INVESTMENT IN NEW BEDS
- CARRY MORE LONG TERM DEBT

PERFECT STORM

INSUFFICIENT:

- HOSPITAL BEDS
- LTC BEDS
- PRACTICING PHYSICIANS
- NURSES, TECHS, ETC.
- REIMBURSEMENT

INCREASING DEMAND FOR SERVICES
DUE TO AGING POPULATION