CURRENT EMERGENCY ROOM SITUATION ON OAHU

March 15, 2012 Honolulu – There is a misunderstanding about how hospital emergency rooms and EMS (911) work in this state. The following is meant to clear up any misunderstanding to ensure that accurate information is given to the public.

No hospitals are “turning patients away” and none have done so. If as a patient you arrive on your own accord at any Oahu emergency room, you will be treated there. If you call 911, EMS will route you to the hospital that can treat you in a more timely and comprehensive fashion, even if that hospital is a farther distance. When hospitals “close” their emergency departments to EMS intake, they do that to ensure adequate staffing and resources for quality care.

HAH is closely monitoring the situation. HAH Emergency Services is working closely with Honolulu EMS and the Emergency Management Committee with representation from hospitals with emergency departments statewide. HAH Emergency Services is monitoring this situation continuously, as we have been since the HMC emergency rooms closed. The situation does not currently warrant a need for HAH Emergency Services to provide more direct support to hospitals.

Hospitals and hospital staff should be applauded for their heroic work in coping with the “new normal.” “Healthcare workers and providers are to be commended for operationalizing the current situation and making sure all patients who need care are continuing to receive it,” said George Greene, HAH President and CEO.

The loss of HMC-West and East suddenly shifted patient volume to other Honolulu hospitals: hospitals report high levels of stress related to higher than normal patient volumes. The current volume the hospitals are experiencing is the same stress level we’ve experienced in the past with severe flu seasons. The situation is stable with periods of congestion at various times of the day.

Hospitals are doing creative and innovative things to accommodate the new workload to handle the “new normal”, including hiring new staff, using non-clinical space, transferring long term care patients to more appropriate care settings, and many staff and physicians are working longer hours. Wait times in emergency departments are reported to be longer – with an estimate wait time of 2 to 4 hours (the average on the mainland is more than 6 to 10 hours in urban areas).

(continued)
Hospitals face significant financial challenges, and pending legislation sponsored by HAH will help to alleviate the financial strain on the system.

**Waitlist Bills HB1724, SB2092, and SB2093:**

On any given day there are an average of 150 patients in Hawaii’s hospitals who have been treated so that 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. Waitlisted patients also unnecessarily occupy hospital beds that could otherwise be used by those who need acute care. Patients may be waitlisted for a matter of days, weeks, or months, and in some cases over a year.

SB2093 would appropriate State funds to increase Medicaid payments to hospitals to care for patients who are waitlisted for long term care. The bill would also increase Medicaid payments to long term care facilities for admitting waitlisted patients with complex medical conditions. HB1724 and SB2092 would create a presumptive eligibility process for Medicaid patients who are waitlisted in hospitals in order to hasten their transfer to long term care.

**Disproportionate Share Hospital (DSH) Payments SB2083:**

The federal government makes Disproportionate Share Hospital (DSH) payments available to hospitals that serve high numbers of low-income patients. DSH partially pays for care that is not covered by insurance such as Medicare, Medicaid, or private insurance. In 2010 Hawaii’s hospitals experienced losses totaling $115 million in bad debt and charity care, which may be attributed largely to patients who were uninsured and unable to pay for their care. Federal DSH funds are distributed to states, which in turn distribute the funds to individual hospitals. These federal funds are required to be matched by the State using the Federal Medical Assistance Percentage (FMAP).

Using that FMAP figure, the HAH bill would appropriate $10 million in State general funds, which would draw down the $10 million in available federal DSH funds, making $20 million available to hospitals.

**Background: Medicaid Reimbursement in Hawaii**

- The current Medicaid reimbursement structure is unsustainable.
  - Hospitals are reimbursed 70 cents per $1.00 spent on Medicaid care
  - Nursing facilities lose $7 per day per person on Medicaid
  - Hawaii has one of the lowest reimbursement rates in the country at 70%. The national average is 89% (89 cents per $1).
- Hawaii’s hospitals collectively lost $118 million in uncompensated care in 2010 due to non-payment for care and underpayment by Medicaid:
  - Private hospitals: $78M annually.
  - Public hospital system: $40M annually.
- Only four other states spend less of total budget on Medicaid than Hawaii (13.3%).
- Medicaid patients:
  - More than 285,000 of Hawaii’s residents are enrolled in Medicaid—one in five Hawaii residents—so losses due to treating Medicaid patients are substantial
  - Typically, 20-30% of hospital patients are on Medicaid.
  - Long-term nursing facilities, where an average of 70% of patients are on Medicaid, currently lose $7-8 per Medicaid patient per day.