Healthcare Association of Hawaii

ANNUAL REPORT

JULY 2012 - JUNE 2013
Hawaii healthcare providers are operating in an unprecedented time of change for healthcare. One of the main roles of the Healthcare Association of Hawaii (HAH) is to help healthcare organizations weather that change, and use the shifting landscape to provide even better service to the patients in their care.

I’m proud that in coordination with our member organizations and healthcare stakeholders in the government and community we have once again made advances in quality, emergency services, advocacy and policy.

Our vision is for a healthy Hawaii where every resident of every age has convenient access to appropriate, affordable, high quality care, and where healthcare providers are reimbursed adequately to deliver that care.

HAH is committed to working with providers across the continuum toward a healthcare system that offers the best possible quality of care to the people of Hawaii. Our membership includes the majority of acute care hospitals, long term care facilities, home health agencies, hospices, and durable medical equipment suppliers in the state of Hawaii. We are proud to be a unique and exemplary state where our members work collaboratively on so many issues in contrast to the contentious, competitive environment in most other states.

We look forward to continuing as the unifying voice of Hawaii’s healthcare providers, in the true spirit of aloha.

Sincerely,

GEORGE W. GREENE, Esq.
President & CEO
Healthcare Association of Hawaii
HAH represents its membership by supporting legislation at the state and federal levels that is in the collective interest of members and their patients, residents, and clients. In addition to advocating for legislation, HAH works to ensure that laws and regulations furnish a reasonable and equitable environment in which healthcare organizations can provide affordable, high quality healthcare.

15 bills from HAH’s legislative package passed the Legislature in 2013

The Hospital and Nursing Facility Sustainability Bills were extended for another year. Both sustainability programs are designed to draw down federal matching Medicaid funds to improve reimbursements to maintain access to care for this population. No state funds and no taxpayer dollars are used. Instead, the sustainability programs raise funds from private facilities.

- Act 141 Hospital Sustainability Bill Brings in $21.5 million federal funding for private hospitals.
- Act 142 Nursing Facility Sustainability Bill Secures $9.5 million in additional federal funds for private nursing facilities.
- Act 39 Sustainability - Hospital Emergency Appropriation and
- Act 13 Sustainability - Nursing Facility Emergency Appropriation Make emergency appropriations from the hospital nursing facility sustainability special funds to enable the program to operate as envisioned.
- Act 134 Ambulance Appropriation Ewa and
- Act 242 Ambulance Appropriation Maalaea Appropriates funds to improve ambulance service in Ewa and Maalaea.
- Act 271 Primary Care Hilo Appropriates funds to expand the delivery of primary care in Hawaii.
- Act 224 Quality Standards Facilitation Creates a “safe harbor” that protects providers, insurers, and other healthcare organizations from liability when developing standards designed to improve the quality of healthcare.
- Act 144 Rural Hospital Designation Definition and
- Act 143 Rural Hospital Designation Kahuku Adopts a State definition of “rural” so that Kahuku Medical Center can continue to be designated as a Critical Access Hospital.
- Act 97 Workers' Comp Creates a mechanism to increase workers’ compensation insurance reimbursements, which are below the actual costs of care.
• Act 214 Elder Care Supports a range of activities that help to care for the fragile and disabled elderly in their homes.
• Act 019 APRN Scope Allows nurses with Doctorate degrees to be licensed as APRNs (previously only those with Master's degrees could be licensed).
• Act 127 SPRB HPH Authorizes special purpose revenue bonds for HAH member organizations.
• Act 73 Seatbelts Requires all passengers on motor vehicles to wear seatbelts.

Resolutions

• APRN Resolutions (HCR 53, HR 35, and SCR 66) Request collaboration among various State agencies to identify barriers to APRNs practicing to the full extent of their education and training.
• COFA Resolutions (SCR 108 and SR 74) Urge Congress to designate migrants from Compact of Free Association nations as “qualified aliens” so they qualify for matching federal Medicaid funding.
• Stroke Classification Resolutions (HCR 216, HCR 172, SCR 155, and SR 113) Create a task force to implement a stroke system of care in Hawaii.

Bills with Adverse Effect Stopped

Opioids (SB 650) Would have prohibited emergency departments from prescribing long-acting opioids.
Bayada Home Health Care

Rehabilitation Hospital of the Pacific

Ace Medical at Farrington Health Academy

Bayada Home Health Care
Shaping National Policy

HAH’s leadership traveled to Washington, DC multiple times during the year to advocate for Hawaii’s unique interests in national healthcare policy and legislation.

HAH garnered co-sponsorship of the entire Congressional delegation (Hawaii was the only state to do so) for:

- 2012 Home Health Care Planning Improvement Act (S.227/H.R2267)
- 2012 Hospice Evaluation and Legitimate Payment (HELP) Act (S.722/H.R.3506)

Advocating for Hawaii’s best interests:

- Behavioral Health EHR - Extend the incentives for the “meaningful use” of electronic health records to mental health treatment facilities and professionals.
- COFA - Support the gathering of data to justify an increase in federal funding for Medicaid and other State programs that benefit COFA migrants.
- Home Health Authorization - Allow NPs, APRNs, and PAs to order Medicare home health services.
- Hospice Support - Initiate payment reform, increase the frequency of surveying, and refine Medicare qualifications for hospice care.
- Medicare DME - Support a market pricing approach for the DME competitive bidding process in order to preserve quality care for patients.
- Medicare Reimbursements - Maintain the current level of Medicare reimbursements, especially as Congress deals with sequestration.
Thanks to quality program initiatives, HAH’s members made huge improvements in patient safety and quality of care. HAH worked in collaboration with national quality improvement leader Premier and Partnership for Patients, a CMS program for quality.

From a baseline 2010 to 2013, hospitals significantly reduced hospital acquired conditions:

- 63.6% reduction of Catheter-Associated Urinary Tract Infections
- 31.5% improvement in Falls and Trauma
- 15.15% improvement in Pressure Ulcers Stages III and IV
- 61.5% reduction of Vascular Catheter-Associated Infections
- 63.6% improvement in the Ventilator-Associated Pneumonia Rate

CUSP CAUTI Initiative 2012 Results
Urinary Tract Infection (CAUTIs) reduced beyond the targeted 25% reduction. Additional results include:

- 40% reduction of rate/device days
- 49% reduction of rate/patient days
- Appropriate catheter use increased from 90.41% to 92.87%

Hawaii skilled nursing facilities joined a nationwide CMS Partnership to Improve Dementia Care in Nursing Homes. In 2013, Hawaii had the lowest rate of antipsychotic medication for dementia residents in the nation (11% down from 19%).

Projected Cost Savings to Hawaii Healthcare System in 2013: $2.2 million*

<table>
<thead>
<tr>
<th>Harm</th>
<th>Cost Savings</th>
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<tbody>
<tr>
<td>VAP</td>
<td>$57,000</td>
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<tr>
<td>CLABSI</td>
<td>$437,000</td>
</tr>
<tr>
<td>CAUTI</td>
<td>$17,000</td>
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<tr>
<td>Falls with Injury</td>
<td>$81,000</td>
</tr>
<tr>
<td>Pressure Ulcers</td>
<td>$1,462,000</td>
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<tr>
<td>Surgical Site Infection</td>
<td>$173,350</td>
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*Based on cost estimates from NIH and CDC
This year, the HAH Emergency Services program grew to 125+ Healthcare Coalition Members, including:

- Hospitals, including critical access, specialty and government organizations
- Nursing Facilities, Assisted Living facilities and Type II Expanded ARCHs
- Home Care and Hospice providers
- Community Health Centers
- Dialysis providers
- Air and Ground Ambulance providers
- Hawaii Disaster Medical Assistance Team (Kalawao Rescue)
- Clinical Laboratories and Blood Banks
- Durable Medical Equipment suppliers

The program met & exceeded Federal Performance Standards:

- Hospital participation 100% (85.2% national)
- Adopted NIMS 100% (87.1% national)
- Reporting of beds 100% (89.3% national)
- Communications 100% (91.8% national)
- Fatality Mgt. Plans 100% (68.6% national)
- Evacuation Plans 100% (79.8% national)
- Exercises 100% (77.9% national)
- Improvement Plans 100% (66.3% national)
- MOUs 100% (95.1% national)
HAH offered 34 free or reduced-rate educational opportunities for members in the 2012-2013 fiscal year, along with signature events offering opportunities for networking, sharing best practices, and receiving updates from national healthcare leaders.

Topics included HIPAA Compliance after changing regulations, ACA Implementation, the effect of the elections on healthcare, and a custom two-day workshop on hospital accreditation from Joint Commission Resources.

HAH’s signature events for the year celebrated greatness in the profession at the Awards & Scholarship Dinner, heard member voices in the shaping of legislative priorities during Advocacy Day, and shared our successes and expectations for the future during the Annual Meeting.
INCOME

- Emergency Services Contract Support: $608,017
- Projects: $512,310
- Grants & Contracts: $256,532
- Sponsorships: $5,000
- Other: $164,743
- Membership Dues: $1,729,576
- Education & Research: $1,084,379
- Communications: $496,410

EXPENSES

- Emergency Services Contract Support: $671,769
- Association Management: $457,418
- Representation & Advocacy: $463,333
- Education & Research: $1,084,379
- Communications: $496,410
HAH leveraged more than **$35 million** in direct monetary benefit for members in 2012-2013:

- **$2.2 million** cost savings from Partnership for Patients quality advances.
- **$186,000** statewide quality improvement through Partnership for Patients.
- **$9.5 million** in additional federal funds through nursing facility sustainability program, drastically improving Medicaid reimbursement rates.
- **$21.5 million** in additional federal funds through hospital sustainability program, drastically improving Medicaid reimbursement rates.
- **$550,000** saved by conducting a statewide Community Health Needs Assessment.
- **$2.3 million** FY13 gain from the elimination of the 0.8% offset to adjust for coding change in FY10 to Medicare IPPS.
HAH supported access to coverage, mitigated system stress and reduced regulatory burdens, which resulted in an additional $187 million in monetary benefit for the healthcare sector:

**Preserved $1.9 million** in federal grants for rural health through rural hospital definition and designation.

Raised the workers’ compensation payments for healthcare from **110% to 130%** of the Medicare fee schedule.

Supported funding of needed healthcare infrastructure and programs:

- **$3.8 million** for construction of an ambulance facility in central Oahu
- **$600,000** for Special Emergency Medical Response Vehicle Unit based in Maalaea on Maui
- **$1.8 million** for the interdisciplinary HHSC Primary Care Training Program at Hilo Medical Center
- **$175 million** Special Purpose Revenue Bond
- **$30,000** for Elder Care Task Force
- **$300,000** for Healthy Aging Partnership Program
- **$3.6 million** for Kupuna Care Program
- **$70,000** for Alzheimer’s Disease and Related Dementia Services coordinator position

**Saved six lives** per year through **45% increase** in safety of all motor vehicle occupants with requirement of passenger seat belts.
HAH’s communications team works to elevate the positive image of Hawaii’s healthcare facilities, correct media misperceptions, and highlight achievements of member facilities. This year HAH generated more than 50 local and national earned media placements, equating to tens of thousands of dollars in publicity value.
Chair: EMILIE SMITH, RN, BSN, MBA, CareResource Hawaii
Chair-Elect: KATHRYN RAETHEL, FACHE, MAHA, MPH, RN, Castle Medical Center
Secretary/Treasurer: BETH HOBAN, RN, MAOM, Prime Care Services Hawaii, Inc.
Past Chair: FRED HORWITZ, Life Care Center of Hilo
President & CEO: GEORGE W. GREENE, ESQ., Healthcare Association of Hawaii

HOWARD AINSLEY, (Neighbor Island Committee Chair), HHSC East Hawaii Region
BG DENNIS DOYLE, FACHE, (Tripler Liaison), Tripler Army Medical Center
WAYNE PFEFFER, (VA Liaison), VA Pacific Islands Health Care System
GARY K. KAJIWARA, Kuakini Medical Center
CHERYL KOZAI, RN, (AONE Liaison), Pali Momi Medical Center
TONY KRIEG, MPH, NHA, (Long Term Care Division Chair), Hale Makua Health Services
BERNADETTE LEDESMA, MPH, NHA, Pearl City Nursing Home
VINCENT LEE, FACHE, BCD, (AHCA Delegate), HHSC Oahu Region
LEONARD LICINA, Kahi Mohala
CORINNE SUZUKA, RN, BSN, MA, (Home Care & Hospice Division Vice Chair), St. Francis Home Care
ARTHUR A. USHIJIMA, The Queen’s Health Systems
RAYMOND P. VARA, Jr. (AHA RPB 9 Delegate), Hawaii Pacific Health
BYRON YOSHINO, PharmD, Pharmacare
KENNETH ZERI, RN, MS, NHA, (Home Care & Hospice Division Chair), Hospice Hawai`i
HAH is the official Hawaii state affiliate for the leading national healthcare associations:
## Members

**ACUTE CARE HOSPITALS and HOSPITAL-BASED SKILLED NURSING FACILITIES**

<table>
<thead>
<tr>
<th>Castle Medical Center</th>
<th>Molokai General Hospital</th>
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<tr>
<td>Hawaii State Hospital</td>
<td>North Hawaii Community Hospital</td>
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<td>Hilo Medical Center</td>
<td>Pali Momi Medical Center</td>
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<td>Kahi Mohala</td>
<td>Rehabilitation Hospital of the Pacific</td>
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<tr>
<td>Kaiser Permanente Medical Center</td>
<td>Shriners Hospitals for Children – Honolulu</td>
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<tr>
<td>Kapiolani Medical Center for Women &amp; Children</td>
<td>Straub Clinic &amp; Hospital</td>
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<td>Kona Community Hospital</td>
<td>The Queen’s Medical Center</td>
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<td>Kuakini Medical Center</td>
<td>Wahiawa General Hospital</td>
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<td>Leahi Hospital</td>
<td>Wilcox Medical Center</td>
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<td>Maui Memorial Medical Center</td>
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FREE-STANDING SKILLED NURSING FACILITIES

<p>| Ann Pearl Nursing Facility                | Life Care Center of Hilo            |
| Crawford’s Convalescent Home             | Life Care Center of Kona            |
| Hale Anuenue Restorative Care Center     | Liliha Healthcare Center            |
| Hale Makua — Kahului                    | Maluhia                             |
| Hale Makua — Wailuku                     | Nuuanu Hale                         |
| Hale Nani Rehabilitation and Care Center | Oahu Care Facility                  |
| Ka Punawai Ola                           | Pearl City Nursing Home             |
| Kulana Malama                            | VA Center for Aging (Community Living Center) |</p>
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<tr>
<th>HOME HEALTH AGENCIES, HOSPICE, DURABLE MEDICAL EQUIPMENT SUPPLIERS, HOME INFUSION and PHARMACY</th>
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<tbody>
<tr>
<td>Ace Medical</td>
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<tr>
<td>Kaiser Home Health Agency — Oahu</td>
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<td>Apria Healthcare</td>
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<td>Kauai Hospice</td>
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<td>Bayada Home Health Care</td>
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<td>Kohala Home Health Care</td>
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<td>Bristol Hospice</td>
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<td>Kokua Nurses</td>
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<td>CareResource Hawaii</td>
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<td>North Hawaii Hospice, Inc.</td>
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<td>Castle Home Care</td>
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<tr>
<td>Ohana Home Health, LLC</td>
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<td>Hale Nani Rehabilitation &amp; Care Center</td>
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<td>Pharmacare</td>
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<tr>
<td>Hawaii Islands Medical Corporation</td>
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<td>Prime Care Services Hawaii</td>
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<td>St. Francis Home Care — Kauai</td>
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<td>Home Health by Hale Makua</td>
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<td>St. Francis Home Care — Oahu</td>
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<td>Hospice Maui, Inc.</td>
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<tr>
<td>Stay at Home Healthcare Services</td>
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<td>Hospice of Hilo</td>
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<tr>
<td>Wahiawa General Hospital Home Health Agency</td>
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<td>Hospice of Kona</td>
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<tr>
<td>West Hawaii Home Health Services</td>
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<tr>
<td>Kaiser Home Health Agency — Maui</td>
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<td>Wilson Homecare</td>
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ASSOCIATE

Accelecare Wound Centers
Airgas Gaspro, Inc.
Alice Inoue Life Guidance, LLC.
Alston Hunt Floyd & Ing
American Organization of Nurse Executives — Hawaii Chapter
American Savings Bank
AON Risk Services, Inc. of Hawaii
Architects Hawaii Ltd.
Atlas Insurance Agency
Biospray Hawaii, LLC
Blood Bank of Hawaii
Brightstar of Honolulu
Cardinal Health
Comforting Hands Senior Care
Diagnostic Laboratory Services, Inc.
DSI Renal, Inc.
Ernst & Young LLP
Hawaii Health Information Corporation
Hawaii Medical Association
Hawaii State Center for Nursing
HiHomeCare
HiNursing
Intellimed International Corp.
Johnson Controls
Kahu Malama Nurses, Inc.
Legacy of Life Hawaii
Meadow Gold Dairies — Hawaii
MetLife Resources
Monarch Insurance Services, Inc.
Mountain-Pacific Quality Health Foundation
Pharmerica
Pu`ulu Lapa`au
SH Consulting LLC
Sodexo Health Care Division — Facility Management Services
Standard Parking
Wealth Strategy Partners, LLC
### PERSONAL

<table>
<thead>
<tr>
<th>Frances Becker</th>
<th>Wendy Gibson</th>
<th>Pat Lambrecht</th>
<th>Frances Spohn</th>
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<tbody>
<tr>
<td>Dan Domizio</td>
<td>Shelley Hee</td>
<td>Kaimi Maka</td>
<td>Lenora Springer</td>
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<tr>
<td>John Farias</td>
<td>Rick Jackson</td>
<td>Barbara Ornellas</td>
<td>Frank Vitale</td>
</tr>
</tbody>
</table>

### EMERITUS

| Will Henderson | Rich Meiers | Rose Ann Poyzer | Herb Yim |

### AFFILIATE

| American Medical Response & AMR AIR Hawaii | Tripler Army Medical Center |
| CardonOutreach | University of Hawaii at Manoa School of Medicine (JABSOM) |
| Chaminade University of Honolulu School of Nursing | University of Hawaii at Manoa School of Nursing & Dental Hygiene |
| Hawaii Life Flight | University of Hawaii - West Oahu |
| Hawaii Pacific University College of Nursing | University of Phoenix, Hawaii Campus |
| Ho`okele Health Navigators, LLC | Veterans Affairs, Spark M. Matsunaga Medical Center |
| Priority 1 Air Rescue | | | |
HAH TEAM FY12-13

EXECUTIVE STAFF

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Rachael Wong, DrPH
Vice President & COO

STAFF

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Special Events Coordinator

Gail Coleman
Administrative Assistant

Darilyn Cristobal
Executive Assistant to the
VP & COO

Adria Estribou, MA
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Communications

Gina Gibo
Staff Accountant

Bess Hayashi
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Leslie Ho
Special Assistant to the
President & CEO

John Kawamoto
Director, Legislation &
Research
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