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# 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, which are health problems that  
17 necessitate technical care under a professional's control but  
18 could have been avoided by following best professional  
19 standards, and these potentially avoidable costs account for  
20 twenty-two percent of all private-sector health care  
21 expenditures in the United 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 providers that  
13 collaborate to improve patient care in a fee-for-service  
14 environment, reduce potentially avoidable costs due to care  
15 defects, reduce emergency room admissions, and create better  
16 health outcomes and cost savings; now, therefore,  
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18 BE IT RESOLVED by the Senate of the Twenty-sixth  
19 Legislature of the State of Hawaii, Regular Session of 2012, the  
20 House of Representatives concurring, that the Department of  
21 Human Services and the Department of Health are requested to  
22 develop a two-year pilot demonstration program that is focused  
23 on the top five percent of Medicaid beneficiaries whose care  
24 needs account for a significant portion of Medicaid expenditures  
25 in the State; and  
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27 BE IT FURTHER RESOLVED that the pilot demonstration program  
28 coordinate services to the highest need, highest cost Medicaid  
29 beneficiaries; include an outpatient care component with  
30 comprehensive health care and social services; and identify  
31 methods of reducing potentially avoidable costs due to care  
32 defects and emergency room admissions; and  
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34 BE IT FURTHER RESOLVED that the Department of Human  
35 Services and the Department of Health are requested to report to  
36 the Legislature on the status of the pilot demonstration program  
37 no later than twenty days prior to the convening of the Regular  
38 Session of 2014; and  
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40 BE IT FURTHER RESOLVED that certified copies of this  
41 Concurrent Resolution be transmitted to the Director of Human  
42 Services and the Director of Health.

