
SENATE 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
31 workers, and emergency department personnel; and connections to
32 social services such as housing, home visits, and meals; and
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1 WHEREAS, a Medicare demonstration project designed to
2 improve coordination of care for the most chronically expensive
3 patients at a Boston, Massachusetts, hospital resulted in
4 hospital stays and emergency room visits dropping by more than
5 fifteen percent; and
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7 WHEREAS, care management programs that focus on
8 coordination of care for the most chronically expensive
9 beneficiaries can incentivize and reward providers that
10 collaborate to improve patient care in a fee-for-service
11 environment, reduce potentially avoidable costs due to care
12 defects, reduce emergency room admissions, and create better
13 health outcomes and cost savings; now, therefore,
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15 BE IT RESOLVED by the Senate of the Twenty-sixth
16 Legislature of the State of Hawaii, Regular Session of 2012,
17 that the Department of Human Services and the Department of
18 Health are requested to develop a two-year pilot demonstration
19 program that is focused on the top five percent of Medicaid
20 beneficiaries whose care needs account for a significant portion
21 of Medicaid expenditures in the State; and
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23 BE IT FURTHER RESOLVED that the pilot demonstration program
24 coordinate services to the highest need, highest cost Medicaid
25 beneficiaries; include an outpatient care component with
26 comprehensive health care and social services; and identify
27 methods of reducing potentially avoidable costs due to care
28 defects and emergency room admissions; and
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30 BE IT FURTHER RESOLVED that the Department of Human
31 Services and the Department of Health are requested to report to
32 the Legislature on the status of the pilot demonstration program
33 no later than twenty days prior to the convening of the Regular
34 Session of 2014; and
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36 BE IT FURTHER RESOLVED that certified copies of this
37 Resolution be transmitted to the Director of Human Services and
38 the Director of Health.

