
A BILL FOR AN ACT

MAKING AN APPROPRIATION FOR HANA HEALTH.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Act 263, Session
2 Laws of Hawaii 1996, authorized the transfer of the Hana medical
3 center to Hana Health (formerly known as Hana Community Health
4 Center) in 1997, with a guarantee to continue providing needed
5 financial support for its essential medical programs. The Hana
6 community would not have accepted this transfer without the
7 commitment to ensure the center's continued viability.

8 The legislature further finds that Hana, Maui is one of the
9 most isolated areas in the State. During the rainy season from
10 October to March, the frequent storms often wash out the
11 roadways and disrupt electricity and telephone services. Hana
12 town is fifty-seven miles from Wailuku. The trip takes
13 approximately two hours along a single lane road with six
14 hundred seventeen turns and fifty-six one-lane bridges. The
15 district is made up of small, isolated settlements scattered
16 over two hundred thirty-three square miles. Many of the
17 villages are located a minimum of forty-five minutes from the
18 main town of Hana. A number of homes in the district do not



1 have basic infrastructure such as electricity, telephones, or
2 running water.

3 Hana Health provides a hybrid of services due to Hana's
4 relative isolation. Unlike most primary care clinics, Hana
5 Health must also coordinate activities with the ambulance
6 service and provide assistance in stabilizing patients with life
7 threatening illness or traumatic injury. These services are
8 required twenty-four hours a day because the center is the only
9 full service health care provider in the district. The
10 coordination of emergency services and provision of life support
11 care is absolutely essential to the residents of Hana and the
12 six hundred thousand tourists who visit annually.

13 Hana also has some of the worst health and socioeconomic
14 indicators in the State. Native Hawaiians account for sixty-
15 five per cent of Hana Health's patients. Hana is federally
16 designated as a medically underserved population, mental health
17 underserved population, dental underserved population, and as a
18 health professional shortage area. Hana Health provides
19 prevention-oriented health care, acute and chronic care, urgent
20 care, waived laboratory testing under the Clinical Laboratory
21 Improvement Amendments of 1988 (Public Law 100-578), and
22 prepackaged medications in lieu of a full service pharmacy. A



1 limited level of home health care is also provided, and seniors
2 and those with mobility problems have benefited from this
3 program.

4 In fiscal year 2005-2006, Hana Health provided medical care
5 to 1,681 patients, who made 6,466 visits to the health center.
6 This was an increase of sixteen per cent from the previous
7 fiscal year. Visitors accounted for twenty per cent of the
8 patients, all of whom required urgent or emergency care. There
9 were two hundred fifty-eight urgent and emergency visits, one
10 hundred forty-one of which took place after regular operating
11 hours. Ninety-one of these patients (an average of two per
12 week) were treated, stabilized, and transported to Maui Memorial
13 Medical Center by ground or air ambulance.

14 Hana Health provided dental services to six hundred forty-
15 four patients, who made 1,428 visits to the dentist. Almost
16 half of all dental patients were either uninsured or insured
17 through a medicaid dental plan.

18 "Mai E Ai" is a meal program for seniors age sixty or
19 older. The program was started with a small federal grant and
20 now serves more than eleven thousand meals to ninety-two kupuna
21 living in the Hana district. Based on the traditional Hawaiian
22 diet and "local style" cooking, the program uses fresh fruits



1 and vegetables grown on the health center campus. The Hana
2 Fresh organic farm provides employment for twelve Hana
3 residents, several of whom are recovering from drug addiction
4 substance abuse problems.

5 In addition to the senior meal program, Hana Health
6 provides a series of wellness initiatives. Hana Health's
7 fitness program provides Hana residents with an opportunity to
8 modify their lifestyles through exercise and the development of
9 healthy eating habits. Several classes, which accommodate all
10 fitness levels, are held throughout the day, and each concludes
11 with a light, healthy meal. Approximately thirty-five
12 individuals regularly participate in these classes, and
13 approximately seven thousand meals are provided annually. The
14 Nutrition Based Diabetes Management Program is a pilot project
15 that incorporates nutrition education and the delivery of
16 healthy meals to fifteen diabetic patients. More than one
17 thousand three hundred healthy meals were served in a five-month
18 period with noted improvement in thirteen of sixteen key
19 measures for the management of this chronic health condition.
20 The project will be expanded over the next twelve months to
21 include additional diabetic patients, as well as those with
22 hypertension, heart disease, and weight management problems.



1 Hana Health prepares and delivers healthy snacks - approximately
2 three thousand six hundred - to an estimated sixty school-aged
3 children who participate in the county of Maui summer pals
4 program. Hana Health also sponsors a weekly salad bar for four
5 hundred Hana school students in an effort to improve the
6 consumption of fresh fruits and vegetables and prevent the onset
7 of chronic health conditions.

8 Hana Health prepares the meals and snacks for its wellness
9 initiatives using its own Hana fresh farm produce. These
10 healthy meals and snacks are currently prepared in a tiny,
11 substandard one hundred square foot kitchen that is more than
12 seventy-five years old and in desperate need of replacement.

13 When Hana Health operated as the Hana medical center as
14 part of the State's community hospitals system, it required a
15 subsidy of approximately \$1,500,000 annually, not including the
16 administrative functions provided by the Maui Memorial Hospital.
17 Immediately upon transfer to the private, not-for-profit Hana
18 Health in 1997-1998, the legislature reduced its appropriation
19 for the center's operation to \$1,064,000. This was a thirty per
20 cent reduction in funding in Hana Health's first year of
21 operation. In fiscal year 1998-1999, the legislature
22 appropriated \$800,000 for the operation of the center. This was



1 \$264,000 less than the amount appropriated the year before, or a
2 second reduction of twenty-five per cent in the center's second
3 year of operation. In the following two years, the legislature
4 appropriated \$750,000 for operations, a further reduction of six
5 per cent during the center's third year of operation. In fiscal
6 year 2003-2004, the legislature reduced the appropriation to
7 \$700,000, but increased it back to \$750,000 for fiscal year
8 2004-2005. Finally, in fiscal years 2005-2006 and 2006-2007,
9 the legislature increased the appropriation to \$1,000,000. This
10 is still thirty per cent less than the \$1,500,000 provided to
11 the original Hana medical center, and does not account for cost-
12 of-living increases that have taken place over the past nine
13 years.

14 Hana Health has demonstrated its commitment to the people
15 of the Hana district and its ability to generate funds from a
16 variety of funding sources to start up new and innovative
17 programs. Despite this, Hana Health will always need state
18 support to fund core medical services. This is a fact that has
19 been recognized by the administration and the legislature prior
20 to privatization.

21 The purpose of this Act is to appropriate funds to Hana
22 Health to allow it to continue its current level of operations



1 and to further develop its capacity to meet the on going needs
2 of this isolated community.

3 SECTION 2. There is appropriated out of the general
4 revenues of the State of Hawaii the sum of \$2,200,000, or so
5 much thereof as may be necessary for fiscal year 2007-2008, and
6 the same sum, or so much thereof as may be necessary for fiscal
7 year 2008-2009, for the following at Hana Health:

- 8 (1) Operational expenses \$1,200,000
- 9 (2) Commercial kitchen equipment/installation \$1,000,000

10 The sums appropriated shall be expended by the department
11 of health for the purposes of this Act.

12 SECTION 3. This Act shall take effect on July 1, 2007.

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JAN 19 2007



Report Title:

Hana Health; Appropriation

Description:

Appropriates funds for the Hana Health.

