



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Everyday"

February 1, 2008

B-08-004

The Honorable Colleen Hanabusa
Senate President
The Senate
Hawaii State Capitol, Room 003
Honolulu, Hawaii 96813

Dear Madame President:

In accordance to Act 178, SLH 2005, Section 160, the Hawaii Health Systems Corporation submits revised reports on the certification of losses under the state plan amendment for the fiscal years ended June 30, 2006 and June 30, 2007.

Should you have any questions, please call Kelley C. Roberson, Chief Operating Officer and Chief Financial Officer, at 733-4171.

Sincerely,

THOMAS M. DRISKILL, Jr.
President and Chief Executive Officer

Attachments



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The Honorable Calvin Say
Speaker
House of Representatives
Hawaii State Capitol, Room 431
Honolulu, Hawaii 96813

Dear Mr. Speaker:

In accordance to Act 178, SLH 2005, Section 160, the Hawaii Health Systems Corporation submits revised reports on the certification of losses under the state plan amendment for the fiscal years ended June 30, 2006 and June 30, 2007.

Should you have any questions, please call Kelley C. Roberson, Chief Operating Officer and Chief Financial Officer, at 733-4171.

Sincerely,

THOMAS M. DRISKILL, Jr.
President and Chief Executive Officer

Attachments



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Every Day"

January 24, 2008

COO/CFO-08-009

Ms. Ann H. Kinningham
State of Hawaii, Dept. of Health
Med-Quest Division
601 Kamokila Blvd, Room 518
Kapolei, HI 96707

SUBJECT: Adjustment to the Certification of HHSC Medicaid Losses for FYE 6/30/06
Medicaid Cost Report as Filed

Dear Ann:

Enclosed is the revised HHSC Medicaid certified losses of \$16,761,055 for fiscal year ended June 30, 2006 reconciled to the Medicaid cost report as filed. The revision was made to adjust the swing bed costs to the Medicaid waitlisted PPS reimbursement, consistent with how the Medicaid cost report was filed. This revision supports a decrease in losses of \$1,777,697 from the previous FY 2006 reported losses of \$18,538,753 on January 30, 2007.

We've enclosed the revised Medicaid Swing Bed Addendums for the impacted HHSC facilities to support these adjustments. The funds/contributions expended, as necessary for federal matching funds pursuant to the requirement of 42 CFR 433.51. These claimed expenditures have not previously been nor shall subsequently be used for federal match in this or any other program. I am aware that this information is to be used for filing of a claim with the Federal government for Federal funds and that knowing misrepresentation constitutes violation of the Federal False Claims Act.

Sincerely,

Kelley C. Roberson
Chief Operating Officer & Chief Financial Officer

Attachment

HHSC Medicaid Certification FYE 6/30/06 Reconciled to the Cost Report As Filed

HAWAII HEALTH SYSTEMS CORPORATION
 LOSSES FROM MEDICAID FEE FOR SERVICE PROGRAM
 FYE 6/30/06 BASED ON COST REPORT AS FILED, As Adjusted 1/22/08 for CAH Swing Bed Losses

FACILITY	ACUTE SERVICES: 7/1/05-6/30/06 SVC DATES						WAITLISTED SERVICES: 7/1/05-6/30/06 SVC DATES						
	CHARGES	COST	REIMB	LOSS	PRIOR LOSS	DIFF	CHARGES	COST	REIMB	REIMB/CHG %	LOSS	PRIOR LOSS	DIFF
HAWAIIA	10,108,550	4,785,954	2,772,759	(2,013,195)	(2,910,142)	896,947	1,500,250	1,108,811	362,487	24.16%	(746,324)	(746,324)	-
KAU (CAH)												(916,905)	916,905
KYMH (CAH)												(462,355)	462,355
KOHALA (CAH)												-399,437	399,437
KONA	3,092,604	2,032,415	1,096,158	(936,257)	(711,755)	(224,502)	53,095	57,506	13,624	25.66%	(43,882)	(43,882)	-
KULA											0	0	0
LANA (CAH)													
LEAHI													
MALUHIA	12,617,224	6,677,713	3,217,858	(3,459,855)	(3,377,970)	(81,885)							
MAUI	200,989	165,142	86,162	(79,980)	(101,828)	21,848							
SMMH	26,019,367	13,662,224	7,172,937	(6,489,287)	(7,101,695)	612,408	1,553,345	1,166,317	376,111	24.21%	(790,206)	(2,567,903)	1,777,697
TOTAL HHSC													

FACILITY	LTC ROUTINE SERVICES (7/1/05-6/30/06 SVC DATES)						TOTAL MEDICAID LOSS FYE 6/30/06					
	CHARGES	COST	REIMB	(LOSS)	PRIOR LOSS	DIFF	CURRENT RPT	PRIOR RPTED	DIFF	DIFF	DIFF	
HAWAIIA	5,246,368	5,508,663	4,740,913	(767,750)	(553,852)	(213,898)	(767,750)	(767,750)	-	-	-	
HILO	8,932,055	8,184,414	7,127,859	(1,056,555)	(1,091,152)	34,597	(3,816,074)	(3,816,074)	-	-	-	
KAU (CAH)									916,905	462,355	916,905	
KYMH (CAH)									(462,355)	399,437	462,355	
KOHALA (CAH)									(398,437)		398,437	
KONA	2,352,845	3,067,050	1,670,690	(1,396,360)	(966,036)	(430,324)	(2,376,489)	(2,376,489)	-	-	-	
KULA	5,605,991	6,235,649	4,725,682	(1,509,967)	(1,418,009)	(91,958)	(1,509,967)	(1,509,967)	-	-	-	
LANA (CAH)	1,191,458	1,375,139	585,074	(390,065)	0	(390,065)	(390,065)	(390,065)	-	-	-	
LEAHI	14,512,190	15,071,569	13,039,308	(2,032,261)	(1,007,677)	(1,024,584)	(2,032,261)	(2,032,261)	-	-	-	
MALUHIA	9,986,212	10,496,436	8,726,311	(1,772,127)	(896,710)	(875,417)	(1,772,127)	(1,772,127)	-	-	-	
MAUI	27,755	75,200	25,899	(49,301)	0	(49,301)	(3,509,156)	(3,509,156)	-	-	-	
SMMH	2,837,944	2,869,318	2,362,142	(507,176)	(417,592)	(89,584)	(587,156)	(587,156)	-	-	-	
TOTAL HHSC	50,692,816	52,665,440	43,403,878	(9,461,562)	(6,351,028)	(3,130,534)	(16,761,055)	(18,538,753)	1,777,697	1,777,697		

Incorporates CAH losses due to costs exceeding Peer Group Average and Swing bed losses for CAH's
 All information per FY 2006 Medicaid Cost Report As Filed

1/22/08 Revised CAH Swing Bed Losses due to adjustment of cost to reimbursement rates vs. acute care costs, impact to Kau, KYMH & Kohala

Kau	(916,905)
KYMH	(462,355)
Kohala	(398,437)
Total Adj. Loss	(1,777,697)



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Every Day"

January 24, 2008

COO/CFO-08-010

Ms. Ann H. Kinningham
State of Hawaii, Dept. of Health
Med-Quest Division
601 Kamokila Blvd, Room 518
Kapolei, HI 96707

SUBJECT: Adjustment to the Certification of HHSC Medicaid Losses for FYE 6/30/07
Medicaid Cost Report as Filed

Dear Ann:

Enclosed is the revised HHSC Medicaid certified losses of \$19,567,108 for fiscal year ended June 30, 2007 reconciled to the Medicaid cost report as filed. These losses represent an increase of \$4,925,899 from the previous FY 2007 reported losses of \$14,641,209 on July 26, 2007.

Please note that the enclosed Medicaid SPA Attachment includes Critical Access Hospital losses related to Long Term Care services due to costs exceeding FY 2006 Peer Group Averages. The funds/contributions expended, as necessary for federal matching funds pursuant to the requirement of 42 CFR 433.51. These claimed expenditures have not previously been nor shall subsequently be used for federal match in this or any other program. I am aware that this information is to be used for filing of a claim with the Federal government for Federal funds and that knowing misrepresentation constitutes violation of the Federal False Claims Act.

Sincerely,

Kelley C. Roberson
Chief Operating Officer & Chief Financial Officer

Attachment

HHSC Medicaid Certification FYE 6/30/06 Reconciled to the Cost Report As Filed

HAWAII HEALTH SYSTEMS CORPORATION
LOSSES FROM MEDICAID FEE FOR SERVICE PROGRAM
FYE 6/30/07 BASED ON COST REPORT AS FILED

FACILITY	ACUTE SERVICES: 7/1/06-6/30/07 SVC DATES					WAITLISTED & SWING BED SERVICES: 7/1/06-6/30/07 SVC DATES						
	CHARGES	COST	REIMB	TTL LOSS	PRIOR REPORTED LOSS	DIFF	CHARGES	COST	REIMB	TTL LOSS	PRIOR REPORTED LOSS	DIFF
HAWAII	9,641,587	4,916,685	2,511,780	(2,404,915)	(2,575,034)	170,119	1,840,253	1,364,337	411,005	(973,332)	-	(973,332)
KAU (CAH)												
KVMH (CAH)												
KOHALA (CAH)												
KONA	3,544,917	2,495,545	1,248,310	(1,247,235)	(1,588,039)	340,804	236,400	198,833	53,878	(144,955)	0	(144,955)
KULA												
LANAI (CAH)												
LEAHI												
MALUHIA												
MAUI	10,824,216	5,295,510	2,863,469	(2,432,041)	(3,991,553)	1,559,512	1,353,835	1,167,878	279,227	(888,651)	-	(888,651)
SMMH	534,336	567,575	534,336	(33,239)	-	(33,239)						
TOTAL HHSC	24,545,066	13,273,325	7,157,895	(6,117,430)	(6,154,626)	2,037,196	3,430,488	2,751,048	744,110	(2,006,938)	-	(2,006,938)

FACILITY	LTC ROUTINE SERVICES (7/1/06-6/30/07 SVC DATES)					TOTAL MEDICAID LOSS FYE 6/30/07				
	CHARGES	COST	REIMB	TTL LOSS	PRIOR REPORTED LOSS	DIFF	CURRENT RPT	PRIOR RPTED	DIFF	DIFF
HAWAII	5,574,857	6,012,094	5,380,824	(631,270)	-	(631,270)	(631,270)	-	(631,270)	(631,270)
HILO	8,932,055	9,553,456	7,383,149	(2,170,307)	(1,143,137)	(1,027,170)	(5,548,554)	(3,718,171)	(1,830,383)	(1,830,383)
KAU (CAH)	2,189,614	2,167,134	1,996,021	(171,113)	0	(171,113)	(171,113)	-	(171,113)	(171,113)
KVMH (CAH)										
KOHALA (CAH)										
KONA	3,090,390	3,248,755	1,533,491	(1,715,264)	(1,421,402)	(293,862)	(3,107,454)	(3,009,441)	(98,013)	(98,013)
KULA	13,092,145	12,780,611	12,483,350	(297,261)	-	(297,261)	(297,261)	-	(297,261)	(297,261)
LANAI (CAH)	995,620	1,322,113	768,237	(553,876)	-	(553,876)	(553,876)	-	(553,876)	(553,876)
LEAHI	15,085,439	16,216,733	12,884,360	(3,332,353)	(2,294,259)	(1,038,094)	(3,332,353)	(2,294,259)	(1,038,094)	(1,038,094)
MALUHIA	11,127,574	11,859,333	9,468,609	(2,389,724)	(1,369,202)	(1,020,522)	(2,389,724)	(1,369,202)	(1,020,522)	(1,020,522)
MAUI	93,873	253,036	71,464	(181,572)	(258,583)	77,011	(3,502,264)	(4,250,136)	747,872	(33,239)
SMMH										
TOTAL HHSC	60,181,567	63,412,265	51,969,525	(11,442,740)	(6,486,583)	(4,956,157)	(19,567,103)	(14,641,209)	(4,925,899)	(4,925,899)

Incorporates CAH losses due to costs exceeding FY 2006 Peer Group Average, latest available
All information per FY 2007 Medicaid Cost Report As Filed