

Impact of Current Health Policy on Rural Hospitals and Communities

Hawaii

Hospital	Hospital Type	Operating Profit Margin ¹	Sequestration ² <i>2% Inpatient and Outpatient Medicare Revenue Cut</i>			Bad Debt Reimbursement Cut ³ <i>35% Medicare Bad Debt Reimbursement Cut</i>			PPS Coding Offset ⁴ <i>0.5% PPS Medicare Inpatient Revenue Cut</i>			340B Reimbursement Cuts ^{5,6} <i>27% Outpatient Drug Reimbursement Cut for 340B PPS Participants</i>		
			Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸	Annual Hospital Revenue Lost ¹	Potential Job Loss ⁷	Potential GDP Loss ⁸
HALE HO'OLA HAMAKUA	CAH	13.2%	\$144	0	\$334	\$1,864	0	\$4,330	-	-	-	-	-	-
HILO MEDICAL CENTER	Rural PPS	24.9%	\$689,119	13	\$1,449,885	\$92,309	2	\$194,216	\$131,348	2	\$276,353	\$309,848	6	\$651,910
KAHUKU MEDICAL CENTER	CAH	-17.4%	\$1,328	0	\$2,602	\$7,063	0	\$13,837	-	-	-	-	-	-
KAU HOSPITAL	CAH	-	\$613	0	\$1,270	\$1,013	0	\$2,099	-	-	-	-	-	-
KAUAI VETERANS MEMORIAL HOSPITAL	CAH	-	\$31,300	1	\$60,368	\$6,358	0	\$12,262	-	-	-	-	-	-
KOHALA HOSPITAL	CAH	-	\$502	0	\$1,094	-	-	-	-	-	-	-	-	-
KONA COMMUNITY HOSPITAL	Rural PPS	-15.3%	\$254,671	5	\$506,806	\$28,367	1	\$56,452	\$52,189	1	\$103,858	\$124,241	2	\$247,244
KULA HOSPITAL	CAH	-	\$218	0	\$522	-	-	-	-	-	-	-	-	-
LANAI COMMUNITY HOSPITAL	CAH	-	-	-	-	-	-	-	-	-	-	-	-	-
MOLOKAI GENERAL HOSPITAL	CAH	-	\$4,513	0	\$11,537	\$866	0	\$2,213	-	-	-	-	-	-
NORTH HAWAII COMMUNITY HOSPITAL	Rural PPS	-12.9%	\$143,625	3	\$283,779	-	-	-	\$24,991	0	\$49,379	\$113,809	2	\$224,867
SAMUEL MAHELONA MEMORIAL HOSPITAL	CAH	-5.9%	\$477	0	\$1,229	\$2,965	0	\$7,637	-	-	-	-	-	-
WILCOX MEMORIAL HOSPITAL	Rural PPS	10.8%	\$359,527	6	\$681,618	\$49,275	1	\$93,419	\$61,699	1	\$116,973	\$214,352	4	\$406,385

Note: Maine voted in support of Medicaid expansion in November 2017.

¹ CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

² Budget Control Act of 2011

³ Middle Class Tax Relief and Job Creation Act of 2012

⁴ American Taxpayer Relief Act of 2012

⁵ MedPAC, 2015

⁶ Medicare Program: Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs, 2017

⁷ National Center for Rural Health Works, 2016

⁸ The World Bank, 2017

Impact of Proposed Save Rural Hospitals Act on Rural Hospitals and Communities

Hawaii

Hospital	Hospital Type	Operating Profit Margin ¹	Eligible and Would Benefit? ^{1,2}	Save Rural Hospitals Act ²			
				<i>Proposed Community Outpatient Hospital Status would Preserve Outpatient Services</i>			
				Annual Hospital Revenue Preserved ¹	Potential Median Margin ¹	Potential Jobs Preserved ³	Potential GDP Preserved ⁴
HALE HO'OLA HAMAKUA	CAH	13.2%	Yes	\$14,004	13.3%	0	\$32,528
HILO MEDICAL CENTER	Rural PPS	24.9%	No	-	-	-	-
KAHUKU MEDICAL CENTER	CAH	-17.4%	Yes	\$38,939	-17.1%	1	\$76,289
KAU HOSPITAL	CAH	-	Yes	\$33,992	-	1	\$70,413
KAUAI VETERANS MEMORIAL HOSPITAL	CAH	-	Yes	\$206,709	-	4	\$398,677
KOHALA HOSPITAL	CAH	-	Yes	\$15,804	-	0	\$34,454
KONA COMMUNITY HOSPITAL	Rural PPS	-15.3%	No	-	-	-	-
KULA HOSPITAL	CAH	-	Yes	\$14,325	-	0	\$34,326
LANAI COMMUNITY HOSPITAL	CAH	-	Yes	\$16,322	-	0	\$41,028
MOLOKAI GENERAL HOSPITAL	CAH	-	Yes	\$66,279	-	2	\$169,428
NORTH HAWAII COMMUNITY HOSPITAL	Rural PPS	-12.9%	Yes	\$965,501	-11.2%	17	\$1,907,667
SAMUEL MAHELONA MEMORIAL HOSPITAL	CAH	-5.9%	Yes	\$20,546	-5.8%	0	\$52,932
WILCOX MEMORIAL HOSPITAL	Rural PPS	10.8%	No	-	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.

¹ CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

² Save Rural Hospitals Act, 2017

³ National Center for Rural Health Works, 2016

⁴ The World Bank, 2017

Impact of Pending Health Policy on Rural Hospitals and Communities

Hawaii

Hospital	Hospital Type	Operating Profit Margin ¹	Tax Cuts and Jobs Act: Minimum 2% Medicare Revenue Cut Imposed by PAYGO ² <i>2% Medicare Revenue Cut, in addition to existing Sequester</i>				Tax Cuts and Jobs Act: Maximum 4% Medicare Revenue Cut Imposed by PAYGO ² <i>4% Medicare Revenue Cut, in addition to existing Sequester</i>				Ways and Means-Proposed Swing Bed Reimbursement Cut ^{3,4} <i>OIG-Recommended CAH Swing Bed Reimbursement at SNF Rate (\$275 per Swing Day)</i>			
			Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ⁵	Potential GDP Loss ⁶
HALE HO'OLA HAMAKUA	CAH	13.2%	\$5,821	13.2%	0	\$13,521	\$11,642	13.1%	0	\$27,043	\$668,148	10.1%	14	\$1,551,961
HILO MEDICAL CENTER	Rural PPS	24.9%	\$685,845	24.7%	13	\$1,442,995	\$1,371,689	24.5%	26	\$2,885,991	-	-	-	-
KAHUKU MEDICAL CENTER	CAH	-17.4%	\$8,352	-17.5%	0	\$16,364	\$16,705	-17.6%	0	\$32,727	\$2,005,391	-36.6%	35	\$3,928,930
KAU HOSPITAL	CAH	-	\$9,021	-	0	\$18,687	\$18,043	-	0	\$37,374	\$302,094	-	6	\$625,766
KAUAI VETERANS MEMORIAL HOSPITAL	CAH	-	\$55,196	-	1	\$106,456	\$110,392	-	2	\$212,913	\$1,161,641	-	20	\$2,240,444
KOHALA HOSPITAL	CAH	-	\$6,107	-	0	\$13,314	\$12,215	-	0	\$26,629	\$784,907	-	15	\$1,711,154
KONA COMMUNITY HOSPITAL	Rural PPS	-15.3%	\$253,753	-15.7%	5	\$504,978	\$507,506	-16.1%	9	\$1,009,957	-	-	-	-
KULA HOSPITAL	CAH	-	\$5,861	-	0	\$14,044	\$11,722	-	0	\$28,088	\$573,246	-	12	\$1,373,639
LANAI COMMUNITY HOSPITAL	CAH	-	\$6,529	-	0	\$16,411	\$13,058	-	0	\$32,822	-	-	-	-
MOLOKAI GENERAL HOSPITAL	CAH	-	\$23,295	-	1	\$59,549	\$46,590	-	1	\$119,099	\$386,294	-	9	\$987,479
NORTH HAWAII COMMUNITY HOSPITAL	Rural PPS	-12.9%	\$142,752	-13.1%	3	\$282,053	\$285,504	-13.4%	5	\$564,107	-	-	-	-
SAMUEL MAHELONA MEMORIAL HOSPITAL	CAH	-5.9%	\$6,571	-6.0%	0	\$16,927	\$13,141	-6.0%	0	\$33,855	\$4,948	-6.0%	0	\$12,746
WILCOX MEMORIAL HOSPITAL	Rural PPS	10.8%	\$357,272	10.5%	6	\$677,342	\$714,543	10.3%	12	\$1,354,683	-	-	-	-

Note: Maine voted in support of Medicaid expansion in November 2017.

¹ CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

² Budget Enforcement Act of 1990

³ House Ways and Means Committee, 2017

⁴ Office of Inspector General, 2015

⁵ National Center for Rural Health Works, 2016

⁶ The World Bank, 2017

Impact of Medicaid Block Grants under Proposed ACA Repeal and Replace on Rural Hospitals and Communities

Hawaii

Hospital	Hospital Type	Operating Profit Margin ¹	House-Approved American Health Care Act (AHCA) ² \$834B Cut to Medicaid Funding over Ten Years				Senate-Proposed Better Care Reconciliation Act (BCRA) ² \$772B Cut to Medicaid Funding over Ten Years				Senate-Proposed Graham-Cassidy Bill ² \$1T Cut to Medicaid Funding over Ten Years			
			Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴	Annual Hospital Revenue Lost ¹	Potential Median Margin ¹	Potential Job Loss ³	Potential GDP Loss ⁴
HALE HO'OLA HAMA KUA	CAH	13.2%	\$81,336	12.8%	2	\$188,925	\$75,289	12.9%	2	\$174,881	\$97,525	12.8%	2	\$226,529
HILO MEDICAL CENTER	Rural PPS	24.9%	\$4,415,669	23.7%	83	\$9,290,429	\$4,087,406	23.8%	77	\$8,599,774	\$5,294,567	23.4%	100	\$11,139,603
KAHUKU MEDICAL CENTER	CAH	-17.4%	\$392,760	-20.7%	7	\$769,490	\$363,562	-20.5%	6	\$712,285	\$470,936	-21.4%	8	\$922,650
KAU HOSPITAL	CAH	-	\$100,628	-	2	\$208,445	\$93,148	-	2	\$192,949	\$120,657	-	2	\$249,934
KAUAI VETERANS MEMORIAL HOSPITAL	CAH	-	\$246,949	-	4	\$476,287	\$228,590	-	4	\$440,880	\$296,101	-	5	\$571,088
KOHALA HOSPITAL	CAH	-	\$47,919	-	1	\$104,467	\$44,357	-	1	\$96,701	\$57,457	-	1	\$125,260
KONA COMMUNITY HOSPITAL	Rural PPS	-15.3%	\$1,722,349	-18.1%	31	\$3,427,545	\$1,594,309	-17.9%	28	\$3,172,740	\$2,065,167	-18.7%	37	\$4,109,767
KULA HOSPITAL	CAH	-	\$169,788	-	4	\$406,853	\$157,166	-	3	\$376,607	\$203,582	-	4	\$487,833
LANAI COMMUNITY HOSPITAL	CAH	-	\$20,378	-	0	\$51,221	\$18,863	-	0	\$47,414	\$24,434	-	1	\$61,416
MOLOKAI GENERAL HOSPITAL	CAH	-	\$409,020	-	9	\$1,045,574	\$378,613	-	9	\$967,845	\$490,432	-	11	\$1,253,685
NORTH HAWAII COMMUNITY HOSPITAL	Rural PPS	-12.9%	\$513,289	-13.8%	9	\$1,014,171	\$475,131	-13.7%	8	\$938,777	\$615,454	-14.0%	11	\$1,216,033
SAMUEL MAHELONA MEMORIAL HOSPITAL	CAH	-5.9%	\$146,113	-6.9%	3	\$376,422	\$135,251	-6.8%	3	\$348,439	\$175,196	-7.1%	4	\$451,346
WILCOX MEMORIAL HOSPITAL	Rural PPS	10.8%	\$2,203,258	9.1%	37	\$4,177,098	\$2,039,466	9.2%	35	\$3,866,571	\$2,641,796	8.8%	45	\$5,008,511

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¹ CMS Healthcare Cost Report Information System (HCRIS), Q3 2017. Operating margin is computed in accordance with Flex Monitoring Team guidance. Outliers are excluded. Hospitals for which data are unavailable are excluded.

² Congressional Budget Office, 2017

³ National Center for Rural Health Works, 2016

⁴ The World Bank, 2017