

REPORT TO THE THIRTY-THIRD LEGISLATURE
STATE OF HAWAII
2024

PURSUANT TO SECTION 326-25.5, HAWAII REVISED STATUTES, REQUIRING THE DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE ON INITIATIVES AND IMPROVEMENTS IN KALAUPAPA SETTLEMENT AND TO TRACK PATIENT AND NON-PATIENT COSTS SEPARATELY, WHENEVER APPROPRIATE AND POSSIBLE

PREPARED BY:

STATE OF HAWAII
DEPARTMENT OF HEALTH
DECEMBER 2023

REPORT TO THE LEGISLATURE

IN COMPLIANCE WITH SECTION 326-25.5, HRS

The Department of Health (DOH) submits this annual report to the Thirty-third Legislature, 2024 in compliance with Section 326-25.5, Hawaii Revised Statutes.

In response to an audit conducted during the summer of 2003 (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures), the Hawaii State Legislature statutorily required (Act 232, Session Laws of Hawaii, 2004) the DOH to provide an annual report to the Legislature that addresses the following areas of concern regarding Kalaupapa Settlement:

1. The Department's provision of medical and basic living needs of the patients;
2. The Department's progress toward defining and addressing the non-medical needs of patients;
3. The Department's progress toward promoting a positive living environment;
4. The Department's management of State resources, including benefits given to employees that are not statutorily defined;
5. The Department's progress toward establishing written policies and procedures for the Kalaupapa store;
6. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints;
7. The performance of the Administrator, including compliance with job duties;
8. The Department's progress toward adequate accountability of State property; and
9. Details and justification of approved employee air travel requests and trail pay.

The DOH welcomes the opportunity to provide the Legislature with this update on the progress made to address issues identified in the 2003 audit. All the problems identified in the auditor's report from December 2004 were addressed, corrected and described in the 2005 Annual Report to the Legislature. This 2023 report details the DOH's ongoing efforts to improve patient relations and community operations.

1. Provision of medical and basic living needs of the patients

The DOH is mandated under Chapter 326, Hawaii Revised Statutes (Section 326-40, HRS), to provide adequate health care and other services to the Kalaupapa patient residents for the remainder of their lives and those desiring to remain at the facility (Kalaupapa Settlement) shall be permitted to do so for as long as that patient may choose. There are eight (8) remaining Hansen's disease patients on the Kalaupapa registry. The remaining patients range in age from 82 to 99 years with a median age of 89 years.

All remaining Kalaupapa patients have disabilities related to Hansen's disease and many continue to encounter long-term foot ulcers related to nerve damage and the associated loss of sensation. In addition, typical chronic diseases associated with aging such as diabetes, congestive heart failure, renal failure, hypertension, cognitive impairment, and various types of malignancies afflict this geriatric population.

Pursuant to Section 326-1.3, HRS that ensures that Kalaupapa patient residents "are treated with dignity, respect, courtesy and sensitivity," the DOH's goal has been to keep patients as independent as possible, appropriate to their capacity and capabilities. To achieve this, the Hansen's Disease Branch (HDB) developed several programs to promote independence and maximum functional capacity and provides various levels of patient care. The HDB runs a meals-on-wheels program for patients who are no longer able to cook for themselves, enabling patients to stay in their homes as long as possible. A contracted dietician provides consultation to individual patients as well as to the care home and kitchen staff to ensure that patients' nutritional needs are met.

In Kalaupapa, those patients that choose to continue living in their own homes will typically visit the Kalaupapa Care Home (KCH) on a daily basis for medications, wound care, meals, and socialization with staff and other residents. Medically fragile patients who choose to remain in their homes are issued a medical emergency alert signaler that is worn to alert KCH staff when they get into any situation that might require assistance. To further support the patients who live independently at Kalaupapa, a home chore worker program is available to provide house cleaning, help with chores, and light cooking services.

When a patient's care needs increase, they often choose to gradually spend more nights in the KCH with closer staff monitoring and support. To date, this approach has proven to be a very effective option when patients require a transition to more dependent care.

The KCH has five (5) beds and provides care for patients requiring long term, intermediate, and skilled nursing services. Currently, three (3) residents reside regularly at KCH, and two (2) residents receive regular outpatient care and meals daily at the care home. Physician visits to KCH are scheduled monthly. Should patient concerns require physician consultation between these regularly scheduled visits, staff will make special arrangements for additional physician visits, as needed. When needed, KCH staff also schedule telehealth consults via DOH's Microsoft Teams accounts. Since the COVID-19 pandemic, telehealth subspecialty consultation and follow up have become standard at the Kalaupapa Care Home.

New equipment was purchased this year to support patient care, safety, and comfort at KCH, including one (1) two-wheelchair capacity van, two (2) general passenger vans, one

(1) kitchen van, one (1) patient call system, one (1) aisle transfer chair, one (1) alternating pressure system mattress, and conference table and chairs.

Patient care is coordinated through a collaborative interdisciplinary approach referred to as the “patient-centered medical home” model. The care team consists of internists, a family practitioner, geriatrician, psychiatrist, dietician, social worker, pharmacist, and the nursing supervisors and staff of the Kalaupapa and Hale Mohalu care homes. A contract with PharMerica ensures that quarterly medication regimen reviews are provided by a consultant pharmacist, and physician services are covered under another contract with University Clinical, Education & Research Associates, dba University Health Partners of Hawaii.

Patient accommodations and care are also provided at the Hale Mohalu Care Home (HMCH) in Honolulu, which has ten (10) beds. This year, a Memorandum of Understanding (MOU) was developed between Hansen’s Disease Branch and DOH’s Office of Health Care Assurance (OHCA) to provide for ongoing review of operations at both Hale Mohalu and Kalaupapa Care Homes to assure that standards are in place to protect resident’s health, safety, welfare and civil rights.

Often, patients will elect to stay at HMCH because they require assistance to access the wider range of medical services offered in Honolulu. Travel arrangements are made by staff and paid for by HD Branch. Arriving Kalaupapa patients are met at the Honolulu airport, transported from the airport and accompanied by staff to their medical appointments. If patients find that more time is needed in Honolulu, they are temporarily accommodated at HMCH.

For patients requiring longer term treatments, rehabilitation, recovery from complex medical procedures or who are diagnosed at the end stages of life, HMCH serves as a familiar “second home” in Honolulu.

This year, four (4) patients resided at the HMCH facility on a long-term basis for a variety of reasons. On November 7, 2023 the care home relocated across the Leahi Hospital campus to the second floor of the hospital’s Young Building.

New equipment was purchased to support direct patient care, safety, and comfort at Hale Mohalu, including air purifiers for common areas such as the patient dining room and care home offices, a cordless portable suction machine (with chargeable battery) for use in HMCH’s dedicated isolation room, an alternating pressure system mattress, a portable shower bench, and a small transport wheelchair. In addition, a new washer, and dryer were purchased for use by the Care Home at its new location in Leahi Hospital’s Young Building. The Order of St. Lazarus generously donated a variety furnishings to support patient care and encourage visitor comfort in the Care Home’s new facility.

As part of preventive health measures, during the current year, all inpatient and outpatient residents at KCH and HMCH were fully vaccinated for COVID-19 and have received all recommended booster shots for which they were eligible. All Kalaupapa patients receive annual influenza immunizations and annual tuberculosis screenings which are completed for all care home residents and employees.

Patients with acute medical conditions may require emergency air ambulance evacuation due to the geographic isolation of the Kalaupapa Settlement and long periods between

scheduled commercial flights. The DOH pays for this cost and, as with all medical services for Kalaupapa patients, is the payer of last resort. No emergency medical evacuations were required from Kalaupapa during the past year.

With leadership and special coordination provided by Hawaii Department of Transportation (DOT), several Medevac Exercises have been conducted at Kalaupapa Airport in recent years to simulate the evacuation of a critically injured person at night or in low-visibility situations. These exercises included the demonstration of newly available technologies (helicopter autopilot and night-vision goggles for crew) that make nighttime evacuations possible at Kalaupapa. The goal of these exercises is to ensure coordination among all parties that could potentially be involved with a medical evacuation at Kalaupapa, including DOH, NPS, DOT, United States Coast Guard, and two private companies - REACH Air Medical Services and American Medical Response - that provide Maui County's EMS/911 ambulance services.

2. The Department's progress toward defining and addressing the non-medical needs of patients

The HDB Social Worker continues to meet regularly with patients to: (1) discuss and assist with their Physician Orders for Life Sustaining Treatment (POLST), and other legal documents such as durable power of attorney forms, advanced healthcare directives, wills, a variety of banking tasks (transferring investment accounts, adding beneficiaries, obtaining a signature guarantee, signature card), and health insurance issues/billing; (2) provide support for patient medical appointments and attend meetings with doctors, as needed; (3) coordinate care and work with patient families; and (4) purchase equipment and supplies for the facility or the patient's personal use. This year, the Social Worker has been working with several patients to complete the process of applying for, and obtaining identification documents that will be required in the near future for all air travel. Beginning May 7, 2025, Phase 4 of the federal REAL ID Act will require all passengers who plan to board a federally regulated commercial aircraft to present a REAL ID with a gold star or a valid passport.

In addition to medical services described in Section 1, all Kalaupapa patients are provided with ancillary services, such as transportation, and medical devices. These include wound care supplies, hearing aids, dental services, eyeglasses or contact lenses, prostheses, orthotics, shoes, oxygen concentrators and wheelchairs.

Most of the patients' basic living needs are provided by the DOH. Care and residence at KCH or HMCH are provided to all patients free of charge. Water in Kalaupapa is provided by NPS and electricity is provided by DOH. All patient residents of Kalaupapa receive a \$45.00 per week food credit to purchase goods from the Kalaupapa store. All patients also receive a quarterly \$30.00 cash allowance and a semiannual \$70.00 clothing allowance. For those patients without any third-party medical insurance, DOH pays their Medicare Part A and Part B premiums to save on medical costs, and Medicare Part D premiums to save on drug costs, co-pays, and other extraneous medical costs.

In 2004, a patient household appliance replacement program was initiated to address this audit identified issue. The appliance replacement program was developed after surveying the patients for their input as to how the program should be run. This year, one washing machine and one air conditioner were replaced for two patients.

3. The Department's progress toward promoting a positive living environment

DOH Maintenance, Construction and Housekeeping staff completed a variety of regular building maintenance projects (e.g., painting, minor structural repairs, repairs of equipment and general upkeep) at KCH and individual patient residences in Kalaupapa this year.

Patient homes in Kalaupapa are remodeled or repaired as needed to accommodate any limited mobility or diminished physical functioning of the residents. This year, no patient homes in Kalaupapa required major remodeling, however, as with KCH, a variety of regular maintenance and repair work was required for doors, door locks, windows, screens, lights, cabinets, a garage roof, and sidewalks. Throughout the year, staff performed regular yard maintenance, assisted with pest control issues (e.g., ants, bees, wasps) and occasionally helped patients with tasks such as moving furniture or other bulky household goods.

HDB continues efforts to develop a Memorandum of Understanding (MOU) with the DLNR's State Historic Preservation Division (SHPD). Once finalized, the MOU is expected to outline architectural and archaeological guidelines that will facilitate the timely review of repair and construction projects for historic buildings in Kalaupapa. A draft MOU is expected to be finalized in the coming year.

DOH has long provided a formal venue for two-way communication with patients and community members at regular community meetings. DOH dedicated two community bulletin boards, located at the Settlement Administration Office and the Kalaupapa Store to ensure maximum public exposure and access, and to provide the latest information about current issues in Kalaupapa.

Finally, several funding requests for Capital Improvement Projects (CIPs) were approved by the Legislature last year. The funding will be used to re-roof the care home and warehouse, to close the Settlement's construction and demolition landfill, to begin planning for the removal of the underground storage tanks at the Kalaupapa gas station and to support a variety of other general repairs in the Settlement.

4. The Department's management of state resources, including benefits that are given to employees that are not statutorily defined

The DOH continues to manage State resources according to the State's policies and procedures for purchasing goods and services, expending goods, and disposing of expired durable goods as originally described in the 2005 Legislative Report.

No new benefits that are not statutorily defined have been given to the Kalaupapa employees during 2023.

5. The Department's progress toward establishing written policies and procedures for Kalaupapa store

In response to deficiencies identified in the 2003 audit, the Kalaupapa store developed policies and procedures in January 2004 to dispose of inventory that expired or was deemed unsellable. The audit identified the lack of written policies and procedures for the disposal of inventory at the Kalaupapa store as contributing to an appearance of potential

abuse.

The inventory management policy specifies “first in, first out” utilization of inventory. Quarterly inventory counts are used to reconcile the actual inventory on hand with the database and are used to determine annual purchase projections for each store item. Accurate annual usage data provides the basis for more precise ordering and decreased overages for any given item. According to the store’s policies and procedures, all disposals are requested by the store supervisor, authorized by the Kalaupapa Administrator, and witnessed and signed off by two other employees at the time of actual disposal.

During FY 23, store purchases totaled \$32,123. Since last year’s report, a total of \$1,998 worth of store goods were disposed due to spoilage, expired sell dates, insect infestation or damaged containers.

6. The Department’s progress toward establishing and maintaining a complaint file and adequately addressing complaints

Both the HD Branch Administration and the Kalaupapa Administrative Office set up a formal complaint process as of January 2004. All complaints are logged with the date received, how the complaint was received (e.g. phone call, letter, email), nature of the complaint, what actions were taken and when the actions were taken. All complaints are followed up by a written response or a follow up phone call to the person that filed the complaint. Administration Office staff are available during normal operating hours to receive, record and address any in-person complaints or concerns of patients and other residents.

Regular monthly meetings of the Kalaupapa Patient Advisory Council (KPAC) have been held within the Settlement since June 2003 to provide a specific opportunity for patients to discuss and comment on all aspects of the Settlement’s operations. The meetings were temporarily halted during the pandemic to reduce opportunities for the potential spread of COVID within the Settlement.

The KPAC meetings are held in the KCH to promote greater convenience for patients and are attended by DOH staff, including the HD Branch Director, the Branch’s Administrative Officer and the Kalaupapa Administrator so that patients can directly communicate with Kalaupapa leadership.

Administration staff continues to maintain an “open door policy” and to conduct regular outreach to all Kalaupapa patients, prioritizing monthly visits to discuss and address individual patient concerns.

7. The performance of the administrator, including compliance with job duties

In July 2023, the individual that served as Kalaupapa Administrator since May 2016 retired. During his tenure, he performed capably under severe budgetary constraints as well as significant staff shortages. In addition, he helped steer the community through the COVID-19 pandemic. Patients commented favorably on his performance, and he developed and maintained a positive working relationship with the NPS Superintendent and staff.

At present, the Kalaupapa Administrator duties are being shared by the the HD Branch Administrative Officer and Planner until a replacement can be hired. Recruitment for this important position is in process.

8. The Department's progress toward adequate accountability of state property

Inventory control policies that were developed and implemented in June of 2004 have been utilized effectively since. All new State property brought in on the annual barge is affixed with a decal. The State employee delivering the item must report the item/description, decal number, and location delivered to the administration office while the receiving party must sign the item to acknowledge receipt. All State property shipped out on the barge for disposal must have a State-approved Disposal Application Form (DAGS form) and be logged on the Kalaupapa Administration Office's Outgoing Barge Form to facilitate inventory control.

9. Details and justification of approved employee air travel requests and trail pay

Each bargaining unit contract contains a specific article that allows a Kalaupapa employee whose permanent residence is on "topside" Molokai, and who is provided quarters in Kalaupapa as a matter of convenience be granted either three roundtrips by air per month, or two hours of travel pay for walking up and down the trail once a week to topside. Employees whose permanent residence is in Kalaupapa are granted one roundtrip by air to topside each month or in lieu of the three round trips to topside, an employee may take one inter-island round trip per quarter.

Employee air travel procedures that were modified, implemented and reported in the 2005 Legislative Report continue to be utilized. All employee requests for air travel reimbursement must be substantiated by a valid airline receipt. In addition to submitting the receipt, the employee must also complete and sign a reimbursement application at the end of each month for that month's travel. These reimbursement requests are then sent to the Branch Office for review and approval by the administrative officer. The paperwork is forwarded through the DOH's Administrative Services Office for submission to the DAGS to generate the reimbursement check.

During FY 23, the DOH expended \$6,047 for employee authorized trail pay. During the same period, the DOH expended \$10,540 on employee authorized air travel pay. Employee air travel cost is up slightly from last year possibly due to the official closure of the trail when a bridge on the trail was washed out. Some employees continued to utilize the trail in spite of the difficulty, while others who would normally walk the trail, utilized air travel.

PATIENT AND NON-PATIENT COSTS

Act 232, SLH 2004, amended Section 326-13, HRS on expenses at Kalaupapa, to include a new subsection (b) in which "expenses related to patients shall be tracked separately from non-patient costs, whenever appropriate and possible." There are several costs that can be tracked separately, but most of the costs for Kalaupapa cannot be separated.

The following is a summary of expenses by group that were tracked or that could be

readily calculated.

Patient Expenses for FY 23:	COST (\$)
Home Care Staff Salaries	107,384
Home Care Staff Overtime	4,153
Medications	54,902
Miscellaneous Medical Supplies	55,875
Medical & Ancillary Services	147,276
Medical Insurance Premiums (Medicare, etc.)	9,489
Medicare Reimbursement	5,356
Nursing Facility Staff Salaries	796,995
Nursing Facility Staff OT	117,128
Patient Employee Program Salaries	8,255
Physician Services	48,327
Travel Cost for Medical Care	2,432
Dietary & Nutrition Services	9,597
Physical Therapy Services	829
Cash Food Allowance	2,337
Food Rations (\$45 per patient per week drawn at the store)	10,440
Meals (4,587 @ \$5.00 ea.)	22,935
Clothing Allowance (\$70 per patient per 6 months)	1,260
Cash Allowance (\$30 per patient per quarter)	1,080
Patient Employee Program Pensions	26,574
Appliances (washers, refrigerators, and stoves)	6,140
Stamped Envelopes (10 per patient per month)	1,060

Non-Patient/Employee Expenses for FY 23:	COST (\$)
Trail Pay/Air Travel	16,587
Employee Meal Stipends	23,760
Salaries (Admin, Food Services and Const. & Maintenance)	631,276
Overtime (Admin, Food Services and Const. & Maintenance)	10,003
Standby Pay	5,687
Employee Safety Equipment Cost (steel toe shoes, gloves, goggles, respirators, scaffolds/harness, etc.)	597
Store Disposals (* for period March – December 2023) <i>* Includes all store items disposed since last year's report</i>	* 1,998

Expenses that are difficult to track as either patient or non-patient include:

- Administrative/clerical Services: labor cost, supplies, facility maintenance, and utilities
- Housekeeping Services: labor cost, supplies, facility maintenance, utilities, and equipment
- Food Services: labor cost, supplies, facility maintenance, equipment cost and maintenance, and utilities
- Kalaupapa Store: labor cost, supplies, facility maintenance, utilities, shipping, and

spoilage

- General Construction and Maintenance Services: labor cost, supplies, facility maintenance, utilities, equipment cost and maintenance
- Electricity Cost: (State buildings are not metered, and one bill is generated)
- Trash Pickup and Landfill Operations
- Upkeep of Common Areas

In all the above examples, the DOH staff provided services for patients, staff, visitors, and in some cases, the NPS. It is difficult to separate most costs in Kalaupapa and would require great cost in time, energy, and staffing with questionable accuracy. As an example, the Housekeeping Unit provides janitorial and housekeeping services for the nursing facility, State offices, community buildings, and all the Visitors' Quarters. The community building and Visitors' Quarters are used by patients and non-patients daily. Assigning costs for supplies used, cost of utilities, facility or building maintenance, and equipment purchased or used for the specific groups is not feasible.

The General Construction and Building Maintenance Units provided general construction and maintenance services and are responsible for repair and maintenance of all buildings within the Settlement. Painting, carpentry, common area yard maintenance, vehicle repair and maintenance, garbage pickup, and landfill operations are subunits under the two units. As in the previous example above, all subunits would have to be evaluated making assignment to either a patient or non-patient category difficult. In order to separate patient and non-patient cost, each activity would have to be evaluated separately to assign a cost estimate rather than actual costs in most cases.

DOH is greatly appreciative for the opportunity to share with the Hawaii Legislature all the actions it has taken to address the auditor's report and improve the quality of life for the patients of the Kalaupapa Settlement.