

Parks, Recreation, Energy and Legal Affairs Committee

Hale Makua Health Services

March 13, 2018



Demographics

Wave of Aging

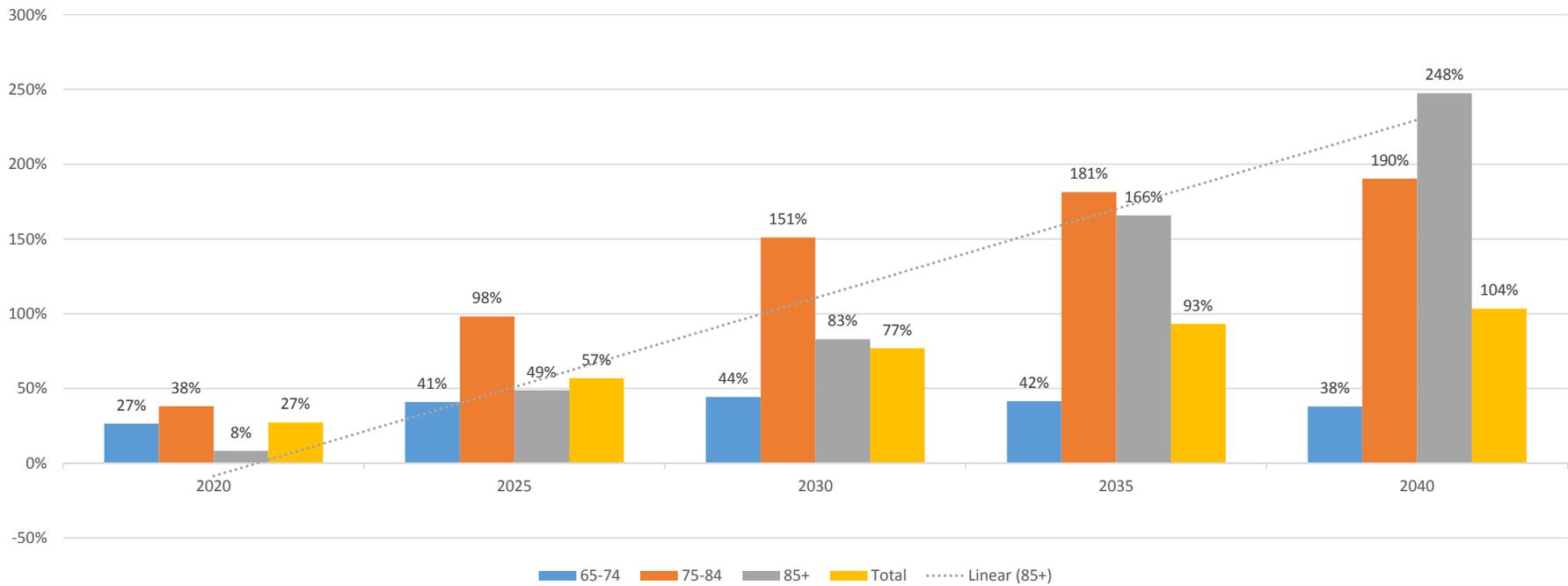
- Based on Age Cohorts, the demand for Senior Health Care is actually hitting a trough
- Baby Boomers are 5+ years from hitting the average age of the typical nursing home resident

U.S. BIRTHS 1905 - 2002



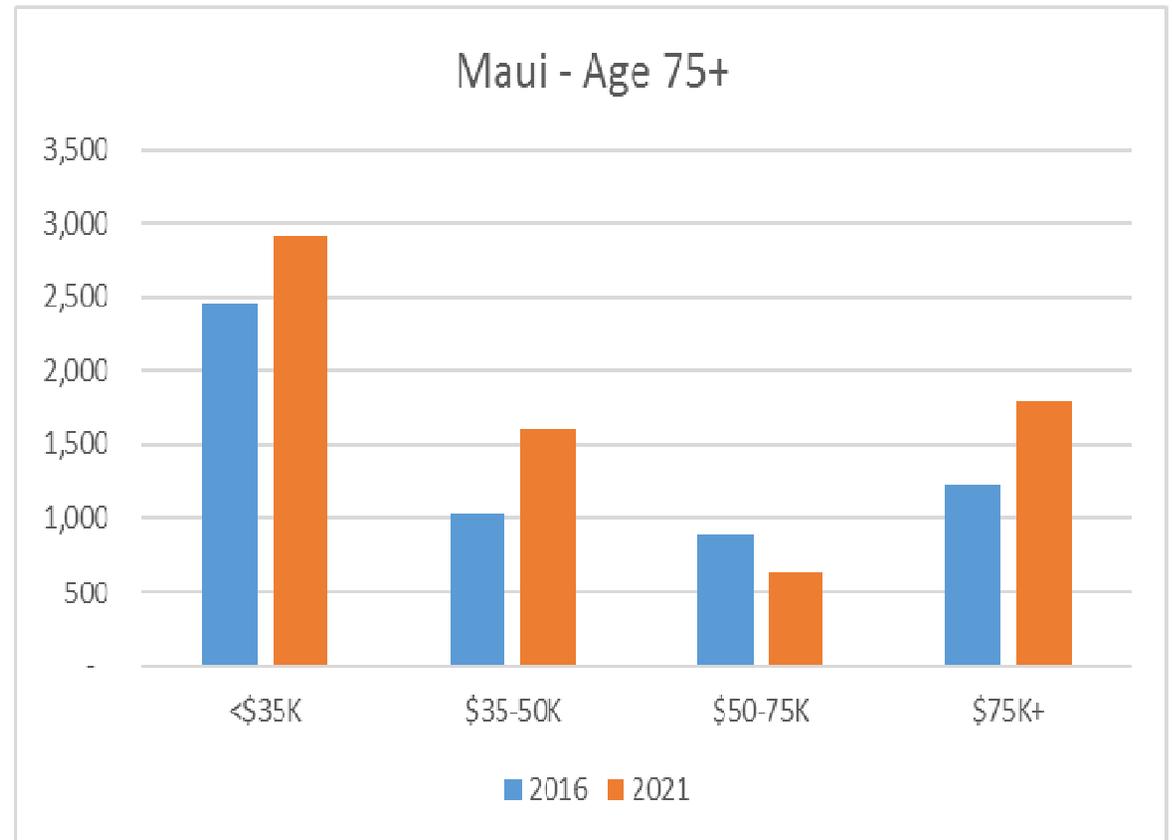
Percentage Increase in 65+ Age Cohorts

Percentage increase in 65+ age cohorts from 2015



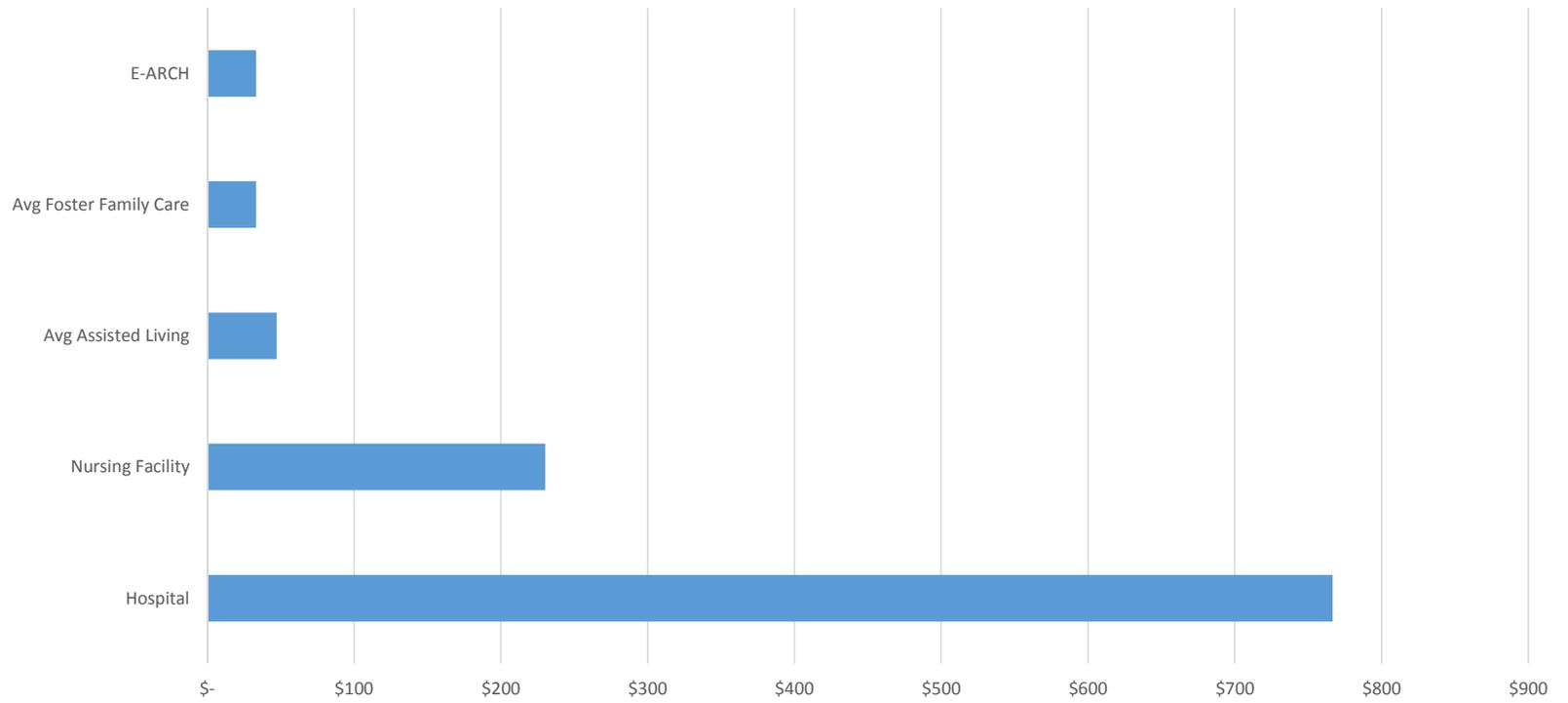
Income Bifurcation

- Increase Income Bifurcation in the next 5 years
- There will be a decline in population for those earning between \$50,000 to \$75,000
- Increased demand on Medicaid?



Health Care Delivery System/Costs

Per Diem Medicaid (including Hospital)



Health Care Issues

- Wait-list at hospital
 - Typically 40+ patients per day
- Nursing Facilities not at full capacity
 - Financial Issues
 - People don't qualify for Medicaid
 - Homeless
 - Gap Group
 - **No disposition after they do not qualify for Medicaid**
 - Cost of Care
- “The problems of the delivery system manifests themselves in the Emergency Room”

National Trends

- National shift away from nursing homes
 - Growth of residential care (Care Homes, Assisted Living, etc.), Home and Community Based Services, (Return to Home)
- Medicaid rates have not kept up with inflation
- Nationally, Medicaid spending on Home and Community Based Services, now exceeds spend on Institutional Services

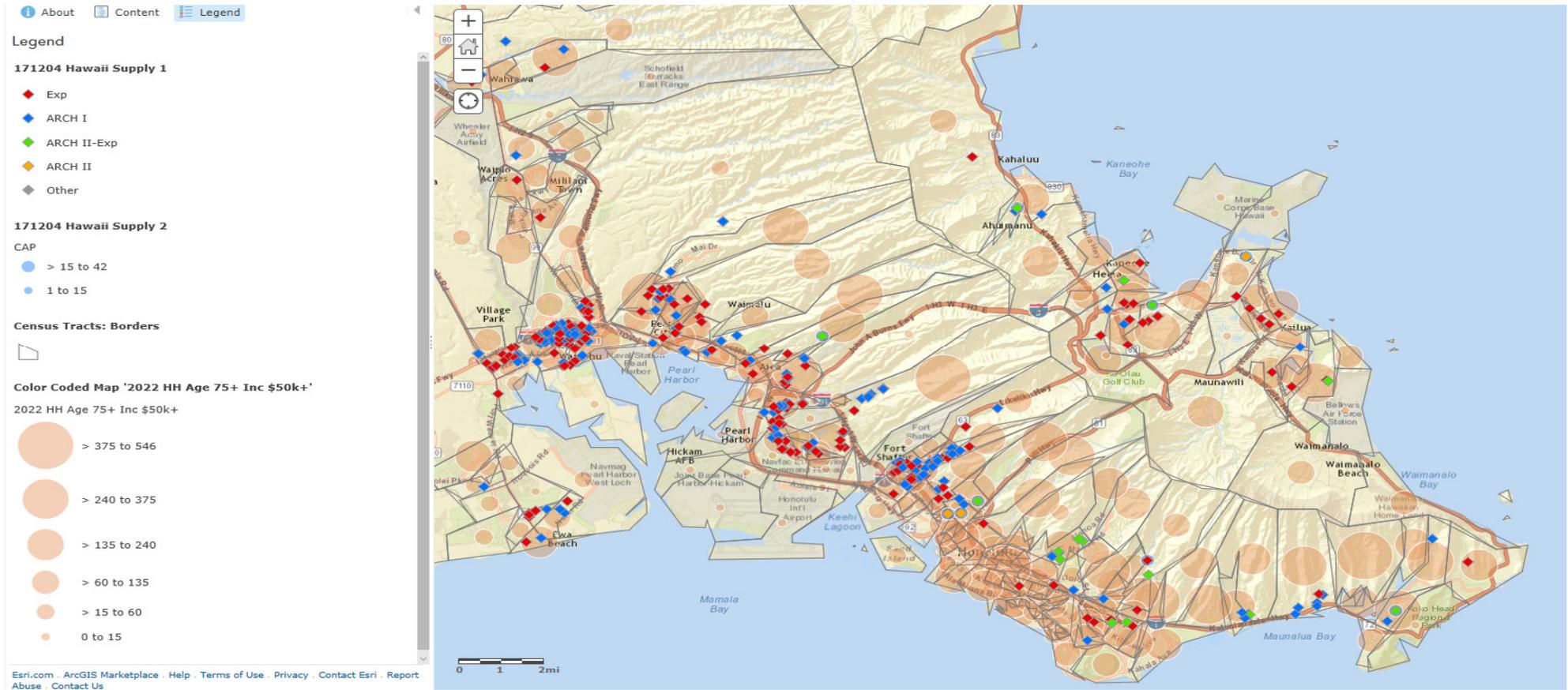
The Culprit on Maui?

Care Home Environment

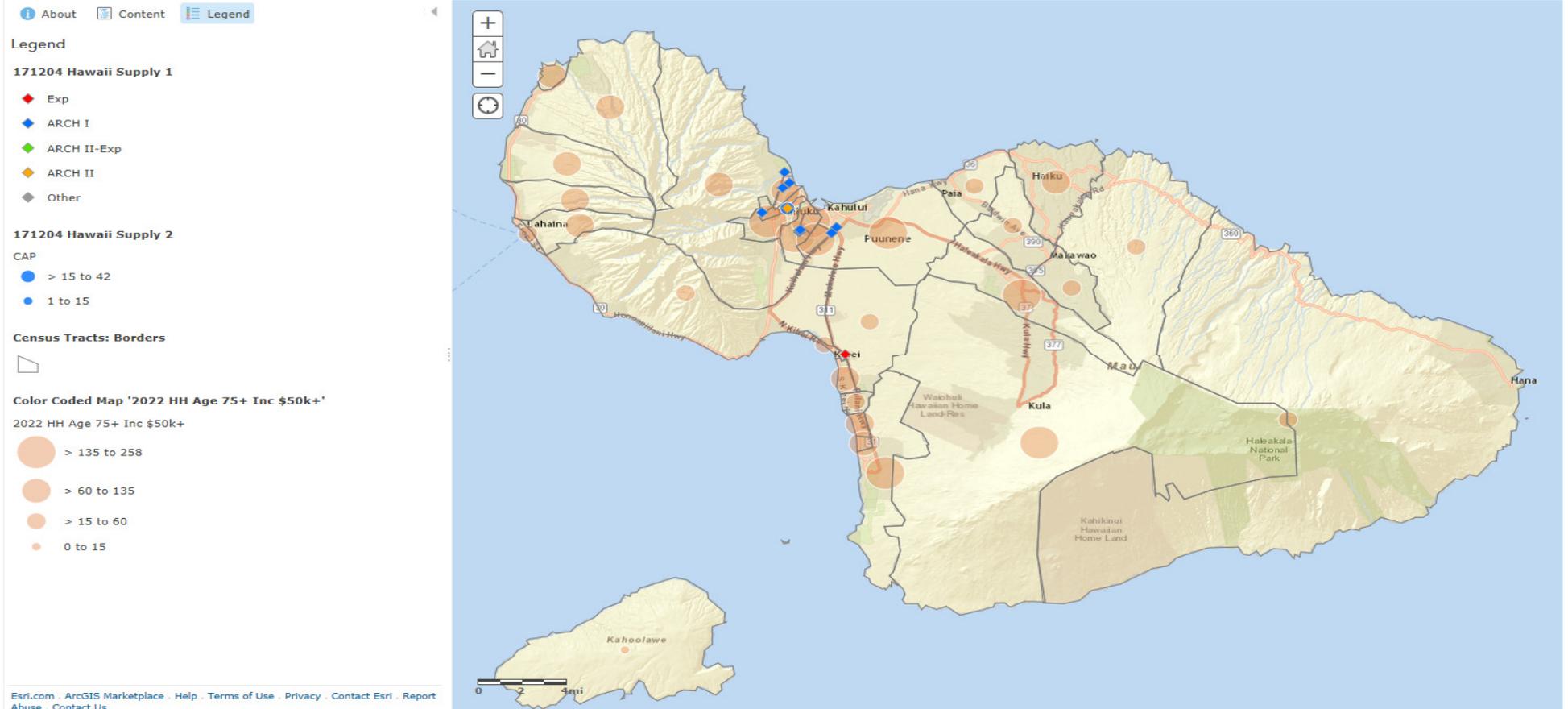
Care Homes/Home and Community Based Services

- Care Home
 - Residential care services are personal care services, homemaker, chore, attendant care and companion services and medication oversight (to the extent permitted by law) provided in a licensed private home by a principal care provider who lives in the home.
 - 20% of Beds can be used to provide nursing home level of care
- Home and Community Based Services
 - Home and community-based services (HCBS) provide opportunities for Medicaid beneficiaries to receive services in their own home or community rather than institutions or other isolated settings.

Oahu – Care Home Supply



Maui Care Home Supply



The Perfect Storm

Perfect Storm

- Insurance
 - Payments are not keeping up with Inflation
 - Driving different, lower cost delivery of care
- Demographics
 - Explosion of the Senior Population in the next 5+ years
 - Bifurcation of income will cause more demand for lower costs services
- Finances
 - Current operating model is not financially sustainable for providers
 - Current model encourages use of higher cost providers
- Buildings
 - Costs to renovate and re-program existing buildings are prohibitive
 - Current infrastructure is very “institutional” and does not support increased activities and social interaction for our active Seniors

Meeting Maui's future senior care needs

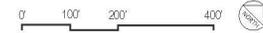
Needs/Opportunities?

Needs

- Provide more higher acuity, low cost options
- Increase home and community based services
- Create less “institutional” options

Opportunities

- Develop a campus that provides a continuum of senior care services, easily accessible wellness activities, an active lifestyle (walking paths, gardens) for seniors, etc.
 - Includes the ability to provide “age in place” services
- Increase the availability and options for small homes that are less institutional and lower cost
- Upgrade existing nursing home(s) to provide more private spaces
- Scalable and portable solutions
 - Could be used in other communities throughout Maui



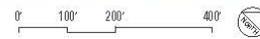
HALE MAKUA NEIGHBORHOOD
HALE MAKUA MASTER PLAN

02.27.2018





- HALE MAKUA MASTER PLAN
- HALE MAHAOLU Independent Living



HALE MAKUA NEIGHBORHOOD
HALE MAKUA MASTER PLAN



02.21.2018



Lease Terms

Key Terms

- Area 34.082 Acres known as Kahului Community Center
- Zoning R-2 Residential
- Term 75 years
- Drainage Areas will continue to be retained by County unless transfer is agreed upon

Terms

- Phase 1a Gate ball Field
 - Management and Control upon execution of the lease
- Phase 1b Community Center
 - Management and control upon agreement with County of Maui Parks and Recreation and Hale Makua
- Remaining Phases
 - Management and control upon Council Approval
 - Adequate or replacement facilities available

Phases

Phase 1A

- Preliminary Plans
 - 42 – Bed Care Home
 - Ability to discharge people to “safe”, less costly level of care
 - Possible Memory Care
- Estimated Time Frame: 1-3 years

Phase 1A



PHASE 1A: 1-3 Years

KAHALUI PLANNING AREA
HALE MAKUA MASTER PLAN
02.27.2018

HALE KŪ'IKE

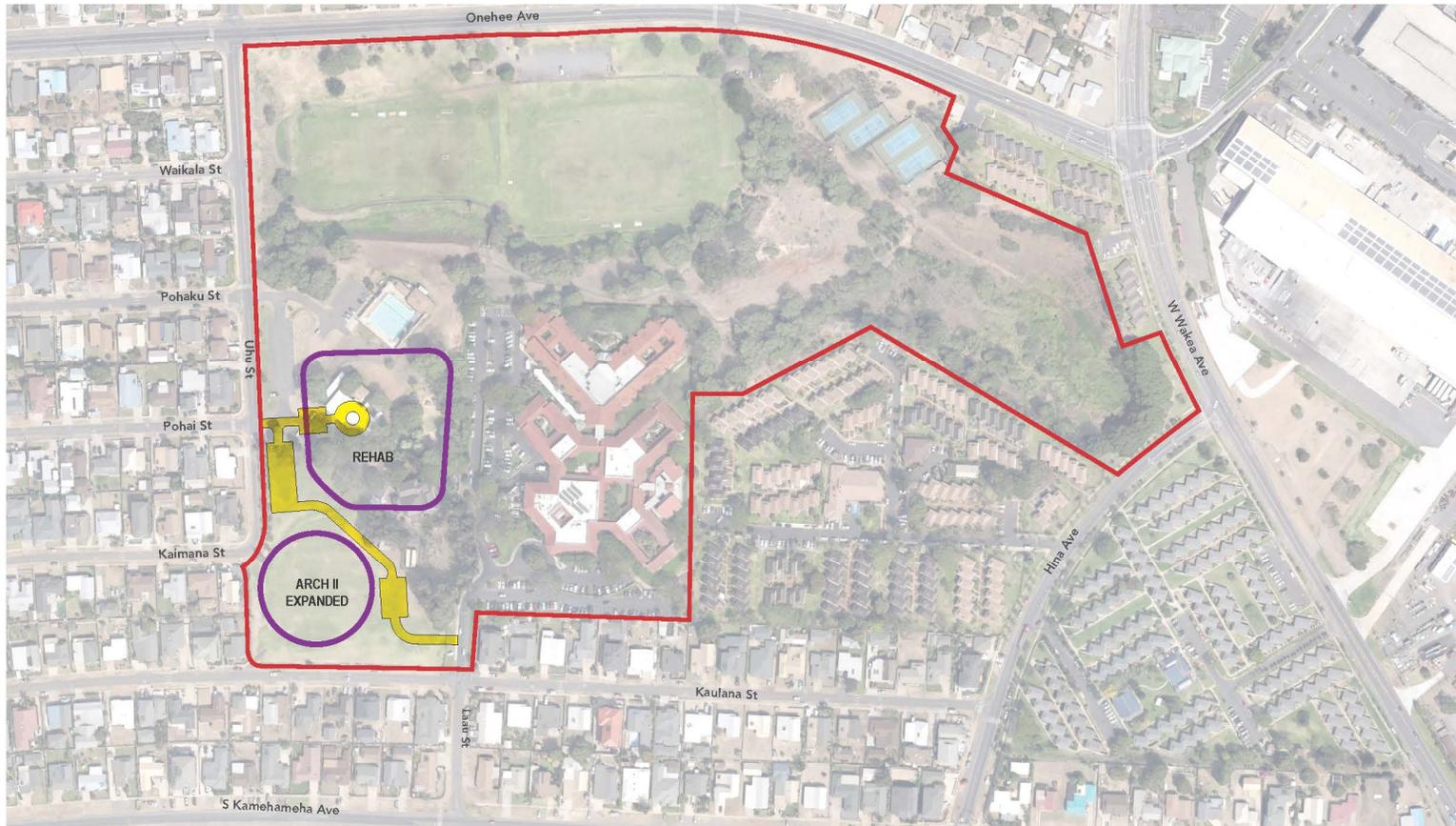
A New Standard For Memory Care



Phase 1B

- Rehab Center of Excellence
 - 45 Bed Skilled Nursing Facility
 - Relocation of Rehab beds in Kahului
 - Flexibility to expand/relocate operations
 - New Therapy Gym
- New/Expanded Services to support Aging in Place
 - Outpatient Therapy Gym
 - Adult Day Health
 - Home Health
 - Physician offices
- Requires approval of County Administration before proceeding
- Estimated time before commencement of phase: 3-5 years





PHASE 1B: 3-5 Years

KAHALUI PLANNING AREA
HALE MAKUA MASTER PLAN
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Prestige Post-Acute and Rehab Center - Edmonds



Phase 2

- Possible additions
 - County Senior Center
 - Continuing Care Retirement Community
 - Independent Living
 - Care Homes
- Requires Council Approval before proceeding
- Estimated time before commencement of phase: 5-10 years

Questions