

JAN 25 2006

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# A BILL FOR AN ACT

RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION.

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

1 SECTION 1. Section 323F-3, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§323F-3 Corporation board.** (a) The corporation shall be  
4 governed by a thirteen-member board of directors which shall  
5 carry out the duties and responsibilities of the corporation.

6 (b) The thirteen-member board of directors shall be  
7 selected as follows:

8 (1) Ten members of the corporation board shall be  
9 appointed by the governor as follows:

10 [~~(1) One member from region I who resides in the city and~~  
11 ~~county of Honolulu;~~

12 [~~(2) One member from region II who resides in the county of~~  
13 ~~Kauai;~~

14 [~~(3) One member from region III who resides in the county~~  
15 ~~of Maui;~~

16 [~~(4) One member from region IV who resides in the eastern~~  
17 ~~section of the county of Hawaii;~~



- 1       ~~(5) One member from region V who resides in the western~~
- 2           ~~section of the county of Hawaii;~~
- 3       ~~(6) One member from region II who resides in the county of~~
- 4           ~~Kauai or from region III who resides in the district~~
- 5           ~~of Hana or on the island of Lanai; provided that in no~~
- 6           ~~event shall the member be appointed from the same~~
- 7           ~~region for two consecutive terms; and~~
- 8       ~~(7) Four at-large members who reside in the State.]~~
- 9           (A) At least one member shall be appointed from each
- 10           of the five regions of the corporation. The
- 11           remaining members shall be appointed at-large;
- 12           and
- 13           (B) Of the ten voting members, three shall be
- 14           appointed by the governor from a list of three
- 15           individuals submitted for each appointment by the
- 16           president of the senate, and three shall be
- 17           appointed by the governor from a list of three
- 18           individuals submitted for each appointment by the
- 19           speaker of the house of representatives; provided
- 20           that if fewer than three names of individuals are
- 21           submitted for an appointment, the governor may
- 22           disregard the list;

1        (2) The eleventh member shall be the chairperson of the  
2        executive public health facility management advisory  
3        committee, who shall serve as an ex officio, voting  
4        member~~[ ]~~;

5        (3) The twelfth member, who shall serve as a voting  
6        member, shall be a physician with active medical staff  
7        privileges at one of the corporation's public health  
8        facilities. The physician member shall serve a term  
9        of two years. The initial physician member shall be  
10       from region II, and subsequent physician members shall  
11       come from regions IV, III, and V respectively. The  
12       physician member position shall continue to rotate in  
13       this order. The physician member shall be appointed  
14       to the corporation board by a simple majority vote of  
15       the members of the executive public health facility  
16       management advisory committee from a list of qualified  
17       nominees submitted by the public health facility  
18       management advisory committee for the region from  
19       which the physician member is to be chosen. If for  
20       any reason a physician member is unable to serve a  
21       full term, the remainder of that term shall be filled  
22       by a physician from the same region~~[ ]~~ ; and



1        (4)    The thirteenth member shall be the director of health  
2                    or the director's designee, who shall serve as an ex  
3                    officio, voting member.

4            Appointments to the corporation board, with the exception  
5 of the chairperson of the executive public health facility  
6 management advisory committee and the regional physician member,  
7 shall be made by the governor, subject to confirmation by the  
8 senate pursuant to section 26-34. [~~Prior to the transfer date,~~  
9 ~~the public health facility management advisory committees~~  
10 ~~appointed pursuant to section 323-66 for each county may~~  
11 ~~recommend names to the governor for each position on the~~  
12 ~~corporation board designated for a region which corresponds to~~  
13 ~~its county. After the transfer date, the public health facility~~  
14 ~~management advisory committees appointed pursuant to section~~  
15 ~~323F-10 for each region may make such recommendations to the~~  
16 ~~governor.]~~

17        (c)    The appointed board members shall serve for a term of  
18 four years; provided that upon the initial appointment of the  
19 first ten members:

20            (1)    Two at-large members shall be appointed for a term of  
21                    two years;



1           (2) Three at-large members shall be appointed for a term  
2           of three years; and

3           (3) Five regional members shall be appointed for a term of  
4           four years.

5 Any vacancy shall be filled in the same manner provided for the  
6 original appointments. The corporation board shall elect its  
7 own chair from among its members.

8           [~~(c)~~] (d) The selection, appointment, and confirmation of  
9 any nominee shall be based on ensuring that board members have  
10 diverse and beneficial perspectives and experiences and that  
11 they include, to the extent possible, representatives of the  
12 medical, business, management, law, finance, and health  
13 sectors[~~7~~] and patients or consumers. Members of the board  
14 shall serve without compensation but may be reimbursed for  
15 actual expenses, including travel expenses, incurred in the  
16 performance of their duties.

17           [~~(d)~~] (e) Any member of the board may be removed for cause  
18 by the governor or for cause by vote of a two-thirds majority of  
19 the board's members then in office. For purposes of this  
20 section, cause shall include without limitation:

21           (1) Malfeasance in office;

22           (2) Failure to attend regularly called meetings;



1 (3) Sentencing for conviction of a felony, to the extent  
2 allowed by section 831-2; or

3 (4) Any other cause that may render a member incapable or  
4 unfit to discharge the duties required under this  
5 chapter.

6 Filing nomination papers for elective office or appointment to  
7 elective office, or conviction of a felony consistent with  
8 section 831-3.1, shall automatically and immediately disqualify  
9 a board member from office."

10 SECTION 2. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: Robert Baum BWR

**SB. NO. 3135**

**Report Title:**

Hawaii Health Systems Corporation; Board Membership

**Description:**

Alters composition and appointment of HHSC board membership by having the governor appoint 6 members - 3 each from a list of 9 candidates submitted by the president of the senate and speaker of the house of representatives, respectively, for a total 18 candidates for 6 member positions.

