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## A BILL FOR AN ACT

RELATING TO HEALTH.

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

1           SECTION 1. Chapter 323D, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§323D-\_\_\_\_\_ Acute care facility proposals; long-term care  
5 beds. The state agency shall require and establish criteria for  
6 the inclusion of an adequate number of long-term care beds in  
7 any certificate of need application submitted by an acute care  
8 facility, to ensure the facility contributes to the long-term  
9 care needs of the community it will serve."

10           SECTION 2. Section 321-225, Hawaii Revised Statutes, is  
11 amended by amending subsection (a) to read as follows:

12           "(a) There is established within the department of health  
13 for administrative purposes only the state emergency medical  
14 services advisory committee, which shall sit in an advisory  
15 capacity to the department of health on all matters relating to  
16 the state system. The advisory committee may advise the  
17 department of health upon request of the department or upon its



1 own initiative with regard to the state system. The advisory  
2 committee shall:

3 (1) Monitor, review, and evaluate on an ongoing basis the  
4 operations, administration, and efficacy of the state  
5 system, or any components thereof, to determine  
6 conformity with and maximum implementation of this  
7 part [-] ;

8 (2) Prepare and submit periodic assessments, reports, and  
9 other documents relating to the state system to ensure  
10 the implementation of this part, as deemed necessary  
11 or desirable in the discretion of the advisory  
12 committee [-] ;

13 (3) Seek the input of the public in relation to the state  
14 system to ensure adequate fulfillment of the emergency  
15 medical services needs of the State consistent with  
16 this part [-] ;

17 (4) Participate in any planning or other policymaking with  
18 regard to the state system, and seek the participation  
19 of the public, including [~~subarea health planning~~]  
20 regional councils in its consideration of plans and  
21 policies relating to the state system [-] ;



1 (5) Perform other functions, and have other duties  
2 necessary to ensuring the fullest implementation and  
3 maintenance of the state system[-]; and

4 (6) Advise the department of health in formulating a  
5 master plan for emergency medical services, including  
6 medicom, the "911" system, and other components  
7 necessary to meet the emergency medical needs of the  
8 people of the State which shall be submitted to the  
9 legislature."

10 SECTION 3. Chapter 323D, Hawaii Revised Statutes, is  
11 amended by amending the title of part III to read as follows:

12 "PART III. [~~SUBAREA HEALTH PLANNING~~] REGIONAL COUNCILS"

13 SECTION 4. Section 323D-2, Hawaii Revised Statutes, is  
14 amended as follows:

15 1. By amending the definitions of "state health services  
16 and facilities plan", "subarea", and "subarea council" to read:

17 ""State health services and facilities plan" means the  
18 comprehensive plan for the economical delivery of health  
19 services in the [State] state prepared by the [statewide  
20 ~~council-~~] state agency.



1           ~~["Subarea"]~~ "Region" means one of the geographic ~~[subareas]~~  
2 regions designated by the state agency pursuant to section 323D-  
3 21.

4           ~~["Subarea council"]~~ "Regional council" means a ~~[subarea~~  
5 ~~health planning]~~ regional council established pursuant to  
6 section 323D-21."

7           2. By repealing the definitions of "review panel" and  
8 "statewide council".

9           ~~["Review panel" means the panel established pursuant to~~  
10 ~~section 323D-42.~~

11           ~~"Statewide council" means the statewide health coordinating~~  
12 ~~council established in section 323D-13."]~~

13           SECTION 5. Section 323D-12, Hawaii Revised Statutes, is  
14 amended to read as follows:

15           "**§323D-12 Health planning and development functions; state**  
16 **agency.** (a) The state agency shall:

17           (1) Have as a principal function the responsibility for  
18 promoting accessibility for all the people of the  
19 ~~[State]~~ state to quality health care services at  
20 reasonable cost. The state agency shall conduct such  
21 studies and investigations as may be necessary as to  
22 the causes of health care costs including inflation[-]



1           and reimbursements to health care providers. The  
2           state agency may contract for services to implement  
3           this paragraph. The certificate of need program  
4           mandated under part V shall serve this function. The  
5           state agency shall promote the sharing of facilities  
6           or services by health care providers whenever possible  
7           to achieve economies [~~and shall restrict unusual or~~  
8           ~~unusually costly services to individual facilities or~~  
9           ~~providers where appropriate,];~~

10           (2) [~~Serve as staff to and provide technical assistance~~  
11           ~~and advice to the statewide council and the subarea~~  
12           ~~councils in the preparation, review, and revision of]~~  
13           Prepare, review, and revise the state health services  
14           and facilities plan;

15           (3) Conduct the health planning activities of the State in  
16           coordination with the [~~subarea~~] regional councils,  
17           implement the state health services and facilities  
18           plan, and determine the statewide health needs of the  
19           [~~State~~] state after consulting with the [~~statewide~~  
20           ~~council,]~~ regional councils; and

21           (4) Administer the state certificate of need program  
22           pursuant to part V.



- 1 (b) The state agency may:
- 2 (1) Prepare such reports and recommendations on Hawaii's
- 3 health care costs and public or private efforts to
- 4 reduce or control costs and health care quality as it
- 5 deems necessary. The report may include~~[ ]~~ but not be
- 6 limited to~~[ ]~~ a review of health insurance plans, the
- 7 availability of various kinds of health insurance and
- 8 malpractice insurance to consumers, and strategies for
- 9 increasing competition in the health insurance
- 10 field~~[ ]~~;
- 11 (2) Prepare and revise as necessary the state health
- 12 services and facilities plan~~[ ]~~;
- 13 (3) Prepare, review, and revise the annual implementation
- 14 plan~~[ ]~~;
- 15 (4) Assist the ~~[statewide council]~~ regional councils in
- 16 the performance of ~~[its]~~ their functions~~[ ]~~;
- 17 (5) Determine the need for new health services proposed to
- 18 be offered within the ~~[State-]~~ state;
- 19 (6) Assess existing health care services and facilities to
- 20 determine whether there are redundant, excessive, or
- 21 inappropriate services or facilities and make public
- 22 findings of any that are found to be so. The state



1 agency shall weigh the costs of the health care  
 2 services or facilities against the benefits the  
 3 services or facilities provide and there shall be a  
 4 negative presumption against marginal services[-];

5 (7) Provide technical assistance to persons, public or  
 6 private, in obtaining and filling out the necessary  
 7 forms for the development of projects and programs[-];

8 (8) Prepare reports, studies, and recommendations on  
 9 emerging health issues, such as medical ethics, health  
 10 care rationing, involuntary care, care for the  
 11 indigent, provider reimbursements, and standards for  
 12 research and development of biotechnology and genetic  
 13 engineering[-]; and

14 (9) Conduct such other activities as are necessary to meet  
 15 the purposes of this chapter."

16 SECTION 6. Section 323D-13.5, Hawaii Revised Statutes, is  
 17 amended to read as follows:

18 "[+] §323D-13.5 [+] **Disqualification from position or**  
 19 **membership.** The chairpersons of the [~~statewide council, the~~  
 20 ~~subarea health planning~~] regional councils [~~and the review~~  
 21 ~~panel,~~] shall not be employed by or married to health care  
 22 providers."



1 SECTION 7. Section 323D-15, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 **"§323D-15 State health services and facilities plan.**

4 [~~There shall be a~~] The state agency shall prepare a state health  
5 services and facilities plan which shall address the health care  
6 needs of the [~~State,~~] state, including inpatient care, health  
7 care facilities, critical access hospitals, and special needs.  
8 The plan shall depict the most economical and efficient system  
9 of care commensurate with adequate quality of care, and shall  
10 include standards for [~~utilization~~] use of health care  
11 facilities and major medical equipment. The plan shall provide  
12 for the reduction or elimination of [~~underutilized,~~] underused,  
13 redundant, or inappropriate health care facilities and health  
14 care services[-] and shall be presented to the legislature by  
15 the state agency on a bi-annual basis not less than twenty days  
16 prior to the beginning of the regular session, beginning with  
17 the regular session of 2011."

18 SECTION 8. Section 323D-17, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 **"§323D-17 Public hearings required.** In the preparation of  
21 the state health services and facilities plan or amendments to  
22 the state health services and facilities plan, the state agency





1 and the [~~statewide council~~] regional councils shall conduct [a]  
2 public hearing on the proposed plan or the amendments and shall  
3 comply with the provisions for notice of public hearings in  
4 chapters 91 and 92."

5 SECTION 9. Section 323D-21, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "§323D-21 [~~Subarea health planning~~] Regional councils,  
8 established. There are established, [~~subarea health planning~~]  
9 regional councils for geographical areas which shall be  
10 designated by the state agency [~~in consultation with the~~  
11 ~~statewide council~~]. Each county shall have at least one  
12 [~~subarea health planning~~] regional council. The [~~subarea health~~  
13 ~~planning~~] regional councils shall be placed within the state  
14 agency for administrative purposes."

15 SECTION 10. Section 323D-22, Hawaii Revised Statutes, is  
16 amended to read as follows:

17 "§323D-22 [~~Subarea health planning~~] Regional councils,  
18 functions, quorum and number of members necessary to take valid  
19 action. (a) Each [~~subarea health planning~~] regional council  
20 shall review, seek public input, and make recommendations  
21 relating to health planning for the geographical [~~subarea~~]



1 region it serves. In addition, [~~the subarea health planning~~]  
2 regional councils shall:

- 3 (1) Identify and recommend to the state agency [~~and the~~  
4 ~~council~~] the data needs and special concerns of the  
5 respective [~~subareas~~] regions with respect to the  
6 preparation of the state plan[-];
- 7 (2) Provide specific recommendations to the state agency  
8 [~~and the council~~] regarding the highest priorities for  
9 health services and resources development[-];
- 10 (3) Review the state health services and facilities plan  
11 as it relates to the respective [~~subareas~~] regions and  
12 make recommendations to the state agency [~~and the~~  
13 ~~council~~];
- 14 (4) Advise the state agency in the administration of the  
15 certificate of need program for their respective  
16 [~~subareas~~] regions;
- 17 (5) Advise the state agency on the cost of reimbursable  
18 expenses incurred in the performance of their  
19 functions for inclusion in the state agency budget[-];
- 20 (6) Advise the state agency in the performance of its  
21 specific functions[-]; and



1 (7) Perform other such functions as agreed upon by the  
2 state agency and the respective [~~subarea~~] regional  
3 councils.

4 [~~(8) Each subarea health planning council shall recommend~~  
5 ~~for gubernatorial appointment at least one person from~~  
6 ~~its membership to be on the statewide council.~~]

7 (b) The number of members necessary to constitute a quorum  
8 to do business shall consist of a majority of all the members  
9 who have accepted nomination to the regional council, and have  
10 been confirmed and qualified as members of the regional council.  
11 When a quorum is in attendance, the concurrence of a majority of  
12 the members in attendance shall make any action of the regional  
13 council valid."

14 SECTION 11. Section 323D-23, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 "§323D-23 [~~Subarea health planning~~] Regional councils,  
17 **composition, appointment.** Members of [~~subarea health planning~~]  
18 regional councils shall be appointed by the governor, subject to  
19 section 26-34. Nominations for appointment shall be solicited  
20 from health-related and other interested organizations, and  
21 agencies, including health planning councils, providers of  
22 health care within the appropriate [~~subarea,~~] region, and other



1 interested persons. The members of the [~~subarea health~~  
2 ~~planning~~] regional councils shall not be compensated for their  
3 services but shall be reimbursed for reasonable expenses  
4 necessary to the performance of their function."

5 SECTION 12. Section 323D-43, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "**§323D-43 Certificates of need.** (a) No person, public or  
8 private, nonprofit or for profit, shall:

9 (1) Construct, expand, alter, convert, develop, initiate,  
10 or modify a health care facility or health care  
11 services in the [~~State~~] state that requires a total  
12 capital expenditure in excess of the expenditure  
13 minimum; [~~or~~]

14 (2) Substantially modify or increase the scope or type of  
15 health service rendered; or

16 (3) Increase, decrease, or change the class of usage of  
17 the bed complement of a health care facility, or  
18 relocate beds from one physical facility or site to  
19 another,

20 unless a certificate of need therefor has first been issued by  
21 the state agency.



1           ~~[(b) No certificate of need shall be issued unless the~~  
2 ~~state agency has determined that:~~

3           ~~(1) There is a public need for the facility or the~~  
4           ~~service; and~~

5           ~~(2) The cost of the facility or service will not be~~  
6           ~~unreasonable in the light of the benefits it will~~  
7           ~~provide and its impact on health care costs.~~

8           ~~(e)]~~ (b) The state agency may adopt criteria for  
9 certificate of need review ~~[which]~~ that are consistent with this  
10 section. Such criteria may include but are not limited to need,  
11 cost, quality, accessibility, availability, and acceptability.

12           Each decision of the state agency to issue a certificate of  
13 need shall, except in an emergency situation that poses a threat  
14 to public health, be consistent with the state health services  
15 and facilities plan in effect under section 323D-15. Each  
16 certificate of need issued shall be valid for a period of one  
17 year from the date of issuance unless the period is extended for  
18 good cause by the state agency and expenditures for the project  
19 shall not exceed the maximum amount of the expenditures approved  
20 in the certificate of need."

21           SECTION 13. Section 323D-44, Hawaii Revised Statutes, is  
22 amended by amending subsection (a) to read as follows:



1           "(a) An applicant for a certificate of need shall file an  
2 application with the state agency. The state agency shall  
3 provide technical assistance to the applicant in the preparation  
4 and filing of the application.

5           Each application shall include a statement evaluating the  
6 facility's or service's probable impact on health care costs and  
7 providing additional data as required by rule. The statement  
8 shall include cost projections for at least the first and third  
9 years after its approval.

10           The state agency shall not accept an application for review  
11 until the application is complete and includes all necessary  
12 information required by the state agency. The state agency  
13 shall determine if the application is complete within thirty  
14 days of receipt of the application. If the state agency  
15 determines that the application is incomplete, the state agency  
16 shall inform the applicant of the additional information that is  
17 required to complete the application. When the state agency  
18 determines that the application is complete, the period for  
19 agency review described in subsection (b) shall begin, and the  
20 state agency shall transmit the completed application to the  
21 appropriate [subarea] regional councils, [~~the review panel, the~~  
22 ~~statewide council,~~] appropriate individuals, and appropriate



1 public agencies. The state agency may require the applicant to  
2 provide copies of the application to the state agency, the  
3 appropriate [~~subarea~~] regional councils, [~~the review panel, the~~  
4 ~~statewide council,~~] appropriate individuals, and appropriate  
5 public agencies. If, during the period for agency review, the  
6 state agency requires the applicant to submit information  
7 respecting the subject of the review, the period for agency  
8 review shall, at the request of the applicant, be extended  
9 fifteen days."

10 SECTION 14. Section 323D-44.6, Hawaii Revised Statutes, is  
11 amended to read as follows:

12 " [†] §323D-44.6 [†] **Review of certain applications for**  
13 **certificate of need; waiver.** The [~~subarea council, the review~~  
14 ~~panel, and the statewide council~~] regional councils may, at  
15 their discretion, choose to waive their respective prerogatives  
16 of review of any certificate of need application."

17 SECTION 15. Section 323D-44.7, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 " [†] §323D-44.7 [†] **Monitoring of approved certificates of**  
20 **need.** The state agency [~~may~~] shall monitor implementation of  
21 approved certificates of need granted by the agency."



1 SECTION 16. Section 323D-45, Hawaii Revised Statutes, is  
2 amended to read as follows:

3 "§323D-45 [~~Subarea council, review panel, and statewide~~  
4 ~~council~~] Regional council recommendations for issuance or denial  
5 of certificates of need. (a) Except for an administrative  
6 review as provided in section 323D-44.5, or in an emergency  
7 situation or other unusual circumstances as provided in section  
8 323D-44(c), the state agency shall refer every application for a  
9 certificate of need to the appropriate [~~subarea~~] regional  
10 council or [~~councils, the review panel, and the statewide~~  
11 ~~council~~] councils. The [~~subarea~~] regional council [~~and the~~  
12 ~~review panel~~] shall consider all relevant data and information  
13 submitted by the state agency, [~~subarea councils~~] other  
14 areawide or local bodies, and the applicant, and may request  
15 from them additional data and information. The [~~review panel~~]  
16 regional council or councils to which the application is  
17 referred shall consider each application at a public meeting and  
18 shall submit its recommendations with findings to the [~~statewide~~  
19 ~~council~~]. ~~The statewide council shall consider the~~  
20 ~~recommendation of the review panel at a public meeting and shall~~  
21 ~~submit its recommendations to the state agency within such time~~  
22 ~~as the state agency prescribes. The statewide council and the~~





1 ~~review panel may join together to hear or consider~~  
2 ~~simultaneously information related to an application for a~~  
3 ~~certificate of need.] state agency within such time as the state~~  
4 ~~agency prescribes.~~

5 (b) At a public meeting in which a ~~[subarea]~~ regional  
6 council ~~[or the review panel]~~ considers an application for a  
7 certificate of need, any person shall have the right to be  
8 represented by counsel and to present oral or written arguments  
9 and evidence relevant to the application; any person directly  
10 affected by the application may conduct reasonable questioning  
11 of persons who make factual allegations relevant to the  
12 application; any staff member of the state agency may conduct  
13 reasonable questioning of persons who make factual allegations  
14 relevant to the application; and a record of the meeting shall  
15 be kept."

16 SECTION 17. Section 323D-47, Hawaii Revised Statutes, is  
17 amended to read as follows:

18 "§323D-47 **Request for reconsideration.** The state agency  
19 may provide by rules adopted in conformity with chapter 91 for a  
20 procedure by which any person may, for good cause shown, request  
21 in writing a public hearing before a reconsideration committee  
22 for purposes of reconsideration of the agency's decision. The



1 reconsideration committee shall consist of the administrator of  
2 the state agency and the [~~chairpersons of the statewide council,~~  
3 ~~the review panel, the plan development committee of the~~  
4 ~~statewide council, and the~~] appropriate [~~subarea health planning~~  
5 ~~council.~~] regional council or councils. The administrator shall  
6 be the chairperson of the reconsideration committee. A request  
7 for a public hearing shall be deemed by the reconsideration  
8 committee to have shown good cause, if:

- 9 (1) It presents significant, relevant information not  
10 previously considered by the state agency;
- 11 (2) It demonstrates that there have been significant  
12 changes in factors or circumstances relied upon by the  
13 state agency in reaching its decision;
- 14 (3) It demonstrates that the state agency has materially  
15 failed to follow its adopted procedures in reaching  
16 its decision;
- 17 (4) It provides such other bases for a public hearing as  
18 the state agency determines constitutes good causes;  
19 or
- 20 (5) The decision of the administrator differs from the  
21 recommendation of the [~~statewide council.~~] appropriate  
22 regional council or councils.



1 To be effective, a request for such a hearing shall be received  
2 within ten working days of the state agency decision. A  
3 decision of the reconsideration committee following a public  
4 hearing under this section shall be considered a decision of the  
5 state agency for purposes of section 323D-44."

6 SECTION 18. Section 323D-54, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 "**§323D-54 Exemptions from certificate of need**  
9 **requirements.** Nothing in this part or rules with respect to the  
10 requirement for certificates of need applies to:

11 (1) Offices of physicians, dentists, or other  
12 practitioners of the healing arts in private practice  
13 as distinguished from organized ambulatory health care  
14 facilities, except in any case of purchase or  
15 acquisition of equipment attendant to the delivery of  
16 health care service and the instruction or supervision  
17 for any private office or clinic involving a total  
18 expenditure in excess of the expenditure minimum;

19 (2) Laboratories, as defined in section 321-11(12), except  
20 in any case of purchase or acquisition of equipment  
21 attendant to the delivery of health care service and  
22 the instruction or supervision for any laboratory



- 1           involving a total expenditure in excess of the  
2           expenditure minimum;
- 3           (3)   Dispensaries and [~~first-aid~~] first-aid stations  
4           located within business or industrial establishments  
5           and maintained solely for the use of employees;  
6           provided such facilities do not regularly provide  
7           inpatient or resident beds for patients or employees  
8           on a daily twenty-four-hour basis;
- 9           (4)   Dispensaries or infirmaries in correctional or  
10          educational facilities;
- 11          (5)   Dwelling establishments, such as hotels, motels, and  
12          rooming or boarding houses that do not regularly  
13          provide health care facilities or health care  
14          services;
- 15          (6)   Any home or institution conducted only for those who,  
16          pursuant to the teachings, faith, or belief of any  
17          group, depend for healing upon prayer or other  
18          spiritual means;
- 19          (7)   Dental clinics;
- 20          (8)   Nonpatient areas of care facilities such as parking  
21          garages and administrative offices;



- 1           (9) Bed changes that involve ten per cent or ten beds of  
2           existing licensed bed types, whichever is less, of a  
3           facility's total existing licensed beds within a two-  
4           year period;
- 5           (10) Projects that are wholly dedicated to meeting the  
6           State's obligations under court orders, including  
7           consent decrees, that have already determined that  
8           need for the projects exists;
- 9           (11) Replacement of existing equipment with its modern-day  
10          equivalent;
- 11          (12) Primary care clinics under the expenditure thresholds  
12          referenced in section 323D-2;
- 13          (13) Equipment and services related to that equipment, that  
14          are primarily invented and used for research purposes  
15          as opposed to usual and customary diagnostic and  
16          therapeutic care;
- 17          (14) Capital expenditures that are required:
- 18                (A) To eliminate or prevent imminent safety hazards  
19                as defined by federal, state, or county fire,  
20                building, or life safety codes or regulations;
- 21                (B) To comply with state licensure standards; and



1 (C) To comply with accreditation standards,  
2 compliance with which is required to receive  
3 reimbursements under Title XVIII of the Social  
4 Security Act or payments under a state plan for  
5 medical assistance approved under Title XIX of  
6 such Act;

7 (15) Extended care adult residential care homes and  
8 assisted living facilities; or

9 (16) Other facilities or services that the agency [~~through~~  
10 ~~the statewide council~~] chooses to exempt, by rules  
11 pursuant to section 323D-62."

12 SECTION 19. Section 323D-62, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 "§323D-62 Rules. The state agency and the [~~statewide~~  
15 ~~health coordinating council~~] regional councils may adopt  
16 necessary rules for the purposes of this chapter in accordance  
17 with chapter 91."

18 SECTION 20. Section 323D-74, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:

20 "(a) The agency, after consultation with the attorney  
21 general, shall, if appropriate, hold a public hearing during the  
22 course of review, which hearing may be held jointly with the



1 ~~[certificate of need review panel or the statewide health~~  
2 ~~coordinating council,]~~ appropriate regional council or councils  
3 and in which any person may file written comments and exhibits  
4 or appear and make a statement. The agency or the attorney  
5 general may subpoena additional information or witnesses,  
6 require and administer oaths, require sworn statements, take  
7 depositions, and use related discovery procedures for purposes  
8 of the hearing and at any time prior to making a decision on the  
9 application."

10 SECTION 21. Section 323D-13, Hawaii Revised Statutes, is  
11 repealed.

12 [~~"§323D-13 Statewide health coordinating council. (a)~~  
13 ~~There is established a statewide health coordinating council~~  
14 ~~which shall be advisory to the state agency and the membership~~  
15 ~~of which as appointed by the governor shall not exceed twenty~~  
16 ~~members.~~

17 ~~(b) The members of the statewide council shall be~~  
18 ~~appointed by the governor in accordance with section 26-34,~~  
19 ~~provided that a nonvoting, ex officio member who is the~~  
20 ~~representative of the Veterans' Administration shall be~~  
21 ~~designated by the Veterans' Administration. The membership of~~  
22 ~~the statewide council shall be broadly representative of the~~



1 ~~age, sex, ethnic, income, and other groups that make up the~~  
2 ~~population of the State and shall include representation from~~  
3 ~~the subarea councils, business, labor, and health care~~  
4 ~~providers. A majority but not more than eleven of the members~~  
5 ~~shall be consumers of health care who are not also providers of~~  
6 ~~health care.~~

7 ~~(c) The statewide council shall select a chairperson from~~  
8 ~~among its members. The members of the statewide council shall~~  
9 ~~not be compensated but shall be reimbursed for necessary~~  
10 ~~expenses incurred in the performance of their duties.~~

11 ~~(d) The number of members necessary to constitute a quorum~~  
12 ~~to do business shall consist of a majority of all members who~~  
13 ~~have accepted nomination to the council, and have been confirmed~~  
14 ~~and qualified as members of the council. When a quorum is in~~  
15 ~~attendance, the concurrence of a majority of the members in~~  
16 ~~attendance shall make any action of the council valid.~~

17 ~~(e) No member of the statewide council shall, in the~~  
18 ~~exercise of any function of the statewide council described in~~  
19 ~~section 323D 14(3), vote on any matter before the statewide~~  
20 ~~council respecting any individual or entity with which the~~  
21 ~~member has or, within the twelve months preceding the vote, had~~  
22 ~~any substantial ownership, employment, medical staff, fiduciary,~~





1 ~~contractual, creditor, or consultative relationship. The~~  
2 ~~statewide council shall require each of its members who has or~~  
3 ~~has had such a relationship with an individual or entity~~  
4 ~~involved in any matter before the statewide council to make a~~  
5 ~~written disclosure of the relationship before any action is~~  
6 ~~taken by the statewide council with respect to the matter in the~~  
7 ~~exercise of any function described in section 323D-14 and to~~  
8 ~~make the relationship public in any meeting in which the action~~  
9 ~~is to be taken." ]~~

10 SECTION 22. Section 323D-14, Hawaii Revised Statutes, is  
11 repealed.

12 [~~§323D-14 Functions; statewide health coordinating~~  
13 ~~council. The statewide council shall:~~

14 ~~(1) Prepare and revise as necessary the state health~~  
15 ~~services and facilities plan;~~

16 ~~(2) Advise the state agency on actions under section 323D-~~  
17 ~~12;~~

18 ~~(3) Appoint the review panel pursuant to section 323D-42;~~  
19 ~~and~~

20 ~~(4) Review and comment upon the following actions by the~~  
21 ~~state agency before such actions are made final:~~

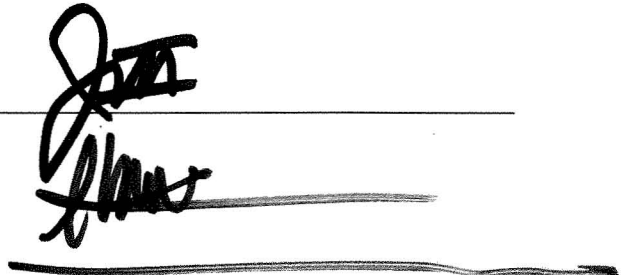




1 SECTION 26. This Act shall take effect upon its approval.

2

INTRODUCED BY: \_\_\_\_\_

A handwritten signature in black ink is written over a horizontal line. The signature is stylized and appears to be 'J. A. ...'. Below the line, there are several horizontal strokes, possibly representing a signature or a mark.

JAN 23 2008



**Report Title:**

Regional Councils; Certificate of Need

**Description:**

Establishes regional councils in place of subarea councils, the statewide council, and the certificate of need review panel to increase the decision-making power of regions in the certificate-of-need process.

