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March 12, 2008

LATE

MEMORANDUM

TO: Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services and Public Housing

Honorable David Y. Ige, Chair
Senate committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 2576, H.D. 2 – MAKING AN APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION**
Hearing: Wednesday, March 12, 2008, 2:45 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to appropriate funds for community-based dental health clinics of the Hawaii Health Systems Corporation to provide dental services to kupuna, keiki, the developmentally disabled, and the uninsured.

DEPARTMENT'S POSITION: The Department of Human Services appreciates the intent of this bill and respectfully requests that such funding for this bill not replace nor adversely impact the priorities in the Executive Supplemental Budget.

The Department would like to point out that it does not have the authority to expend money from the Health Systems Special Fund as this bill proposes.

Thank you for the opportunity to comment on this bill.



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Touching Lives Every Day"

LATE

THE SENATE

Committee on Human Services & Public Housing
Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair

Committee on Health
Senator David Y. Ige, Chair
Senator Carol Fukunaga, Vice Chair

March 12, 2008 at 2:45 p.m.
Conference Room 016
Hawaii State Capitol

Comments on HB 2576 HD2
Making an Appropriation for the Hawaii Health Systems Corporation
Appropriates funds for community-based dental health

By Thomas M. Driskill, Jr.
President and Chief Executive Officer

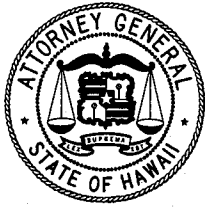
Thank you for the opportunity to offer comments on HB 2576 HD2, which would appropriate funds into the "health systems special fund", to be expended by the Department of Human Services, for community-based dental health clinics of the Hawaii Health Systems Corporation to provide dental services to kupuna, keiki, the developmentally disabled, and the uninsured.

We appreciate the intent of this bill to provide dental services to keiki, kupuna, the developmentally disabled, and the uninsured. The bill as currently drafted may not be workable, because it appears to identify the "health system special fund" as the HHSC special fund, however it would have a different department of the state, Department of Human Services, expend the funds. We would suggest that, if the intent of the legislature is for the Department of Human Services to expend these funds, they should be appropriated for the Department of Human Services. Also since space and staffing for the envisioned "community-based dental health clinics" have not been identified; and, regional systems boards of HHSC have not yet adopted this concept into regional planning, we suggest further study and coordination is required before funds are appropriated for this worthy purpose. If the legislature decides to

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appropriate funds for this purpose, we ask that it be assured that funds appropriated for existing HSHC missions not be diverted for the community-based health clinics envisioned by this bill.

Thank you for the opportunity to testify on this interesting concept.



TESTIMONY OF THE STATE ATTORNEY GENERAL TWENTY-FOURTH LEGISLATURE, 2008

ON THE FOLLOWING MEASURE:

H.B. NO. 2576, H.D. 2, MAKING AN APPROPRIATION FOR THE HAWAII HEALTH SYSTEMS CORPORATION.

BEFORE THE:

SENATE COMMITTEES ON HUMAN SERVICES AND PUBLIC HOUSING AND ON HEALTH.

DATE: Wednesday, March 12, 2008 **TIME:** 2:45 PM

LOCATION: State Capitol, Room 016
Deliver to: Committee Clerk, Room 226, 1 copy

TESTIFIER(S): Mark J. Bennett, Attorney General
or James W. Walther, Deputy Attorney General

Chairs Chun Oakland and Ige and Members of the Committees:

The Attorney General takes no position on this bill but points out a legal flaw that would affect its implementation.

This bill appropriates general funds for the Hawaii Health Systems Corporation to use for dental services to kupuna, keiki, the developmentally disabled, and the uninsured.

The appropriation is "to be deposited into the health systems special fund" [lines 4-5], but the bill as currently drafted provides that the money "shall be expended by the department of human services" [lines 9-10]. The health systems special fund was created pursuant to section 323F-21, Hawaii Revised Statutes, and is controlled by the Hawaii Health Systems Corporation. The Department of Human Services does not have the ability or authority to expend money from that special fund.