

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

Committees on Health and Human Services & Housing

H.B. 3326, 3326, Relating to Health

**Testimony of Chiyome Leinaala Fukino, M.D.
Director of Health**

February 13, 2008

1 **Department's Position:** The Department of Health supports the intent but prefers H.B. 3123,
2 introduced by the Administration.
3 **Fiscal Implications:** None.
4 **Purpose and Justification:** The proposed legislation would amend 323D, HRS, to require acute care
5 facilities to provide long-term care beds in any certificate of need application. While the Department
6 recognizes that Hawaii suffers from a severe shortage of long-term care beds, the Department does not
7 believe it prudent to require acute care providers to build and operate long-term care beds as a means of
8 addressing this shortage. Many acute care providers in Hawaii are struggling financially and adding
9 long-term care requirements may serve to further erode their financial positions. In addition, acute care
10 providers may be reluctant to seek approval for new technologies and services because of the burden of
11 providing long-term care beds on the same certificate of need application. As a result, new health care
12 technologies may not be available to the citizens of Hawaii.
13 The proposed legislation would eliminate the State Health Coordinating Council and the Review Panel.
14 The Department prefers H.B. 3123 that streamlines the entire certificate of need process in a more
15 thorough and comprehensive manner.
16 Thank you for the opportunity to provide testimony related to the proposed legislation.

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HOUSE COMMITTEE ON HEALTH
Rep. Josh Green, M.D., Chair

Conference Room 329
February 13, 2008 at 8:00 a.m.

Testimony in opposition to HB 3326.

I am Rich Meiers, President and CEO of the Healthcare Association of Hawaii, which represents the entire spectrum of health care, including acute care hospitals, two-thirds of the long term care beds in Hawaii, as well as home care and hospice providers. Thank you for this opportunity to testify in opposition to HB 3326, which changes the structure of the organization that implements the certificate of need (CON) process.

CON requires certain health care providers to obtain state approval before offering certain new or expanded services. It is designed to help ensure that new services proposed by health care providers are needed for quality patient care within a particular region or community. CON prevents unnecessary duplication of services by selecting the best proposal among competing applicants who wish to provide a particular health service.

The Healthcare Association recognizes that CON is not perfect, but any changes should be initiated from within SHPDA or the Statewide Health Coordinating Council.

For the foregoing reasons, the Healthcare Association opposes HB 3326.

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mizuno1-Edgar

From: Victoria McGuire [vmcg4@msn.com]
Sent: Tuesday, February 12, 2008 12:32 PM
To: HLTtestimony
Subject: Testimony in FAVOR of HB 3326

Testimony in FAVOR of HB 3326

To House Health Committee Members

I urge you to pass HB 3326 out of the Health Committee with a recommendation of Passage.

There is a looming health care crisis in Hawaii with serious implications for the neighbor islands that are experiencing limited services and resources. This bill will regionalize the Certificate of Need process allowing decisions to be made in the communities that will be affected. This is a reasonable and responsible step toward improving and enhancing health care for all the state.

Thank you in advance for your support,

Victoria J McGuire
3264 Keha Drive
Kihei, HI 96753
808-281-5201

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Thank you in advance for your support,

Hermine Harman
3246 Kehala Dr
Kihei, HI 96753