
A BILL FOR AN ACT

RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION.

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

1 PART I

2 SECTION 1. Notwithstanding any provision to the contrary
3 in chapter 323F, Hawaii Revised Statutes, the Hawaii health
4 systems corporation and Maui regional system board, for the
5 purpose of removing the Maui regional health care system from
6 the Hawaii health systems corporation, may sell, assign, or
7 otherwise transfer title or interest in any or all assets of the
8 Hawaii health systems corporation within the custody of the Maui
9 regional system board pursuant to section 323F-7(c)(18), Hawaii
10 Revised Statutes, or used by the Maui regional health care
11 system in the normal course of its operations to deliver health
12 care services; provided that:

13 (1) The transfer shall be to a legally constituted entity;

14 (2) The legally constituted entity shall be legally and
15 financially capable, independent of the Hawaii health
16 systems corporation, of continuing to provide the same
17 level of health care services currently provided by



1 the Maui regional health care system, for not less
2 than years after the transfer;

3 (3) The transfer shall relieve the Hawaii health systems
4 corporation of all debts, obligations, and liabilities
5 of the Maui regional health care system, to the
6 reasonable satisfaction of the Hawaii health systems
7 corporation;

8 (4) The transfer shall be approved by the:

9 (A) Legally constituted entity;

10 (B) Hawaii health systems corporation board;

11 (C) Maui regional system board; and

12 (D) Governor;

13 and

14 (5) The transfer shall take effect no earlier than July 1,
15 2012.

16 SECTION 2. From the effective date of any transfer of the
17 Maui regional health care system, chapter 323F, Hawaii Revised
18 Statutes, and any other state law concerning the community
19 hospital system, the Hawaii health systems corporation, or its
20 successor shall not apply to the Maui regional health care
21 system or Maui regional system board.



PART II

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

"§323F- Annual management and performance audit. (a)

The auditor shall annually perform a management and performance audit of the corporation. The auditor shall contract with an independent auditing entity that shall be authorized full access to all information required for a complete and thorough management and performance audit of the corporation. Funding for all aspects of the audit shall be provided by the corporation.

(b) The auditor shall submit a report of its findings and recommendations, including:

(1) A full evaluation of all corporation assets, liabilities, and contracts that deal with the management, performance, and provision of services by the corporation; and

(2) Any proposed legislation, not less than twenty days prior to the beginning of each regular session, beginning with the regular session of 2010."

PART III



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect upon its approval;
4 provided that part I shall take effect on July 1, 2020.



Report Title:

Hawaii Health Systems Corporation; Maui Regional Health Care System Transfer; Annual Audit

Description:

Authorizes the transfer of the Maui Regional Health Care System to a legally constituted entity under certain conditions. Requires the Auditor to conduct an annual audit of the Hawaii Health Systems Corporation. (SB44 HD2)

