
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. The legislature created the Hawaii health
2 systems corporation through Act 262, Session Laws of Hawaii
3 1996. This was done for the purpose of providing quality and
4 cost effective health care for all the people in the State
5 served by the publicly owned and operated community hospital
6 facilities. One of the primary cornerstones of this landmark
7 legislation was the intent to free these facilities from
8 burdensome, redundant, and restrictive bureaucratic procedures.
9 The legislative intent, and the Hawaii health systems
10 corporation goal, of providing quality health care services
11 while seeking to reduce the need for general fund subsidy, is
12 hindered by limitations placed on the corporation's authority to
13 appropriately adjust the levels of patient care services in a
14 timely manner based on need and availability of resources at its
15 facilities.

16 The purpose of this Act is to allow the Hawaii health
17 systems corporation the flexibility to appropriately adjust the
18 levels of patient care services to be provided at its



1 facilities, in order to better meet the legislative intent and
2 the corporation's goals to enhance its operational efficiency
3 and to serve as a quality focused, integrated health care system
4 for the people of Hawaii.

5 SECTION 2. Section 323F-31, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "**§323F-31 Maintenance of services.** (a) [~~The corporation~~
8 ~~and each regional system board shall notify the legislature of~~
9 ~~any planned substantial reduction or elimination of direct~~
10 ~~patient care services.] No planned substantial reduction or
11 elimination of direct patient care services at a facility shall
12 be undertaken unless all of the following requirements are met
13 in the sequence indicated:~~

14 (1) The plan of the facility to substantially reduce or
15 eliminate any direct patient care services shall be
16 first presented to the community in which the facility
17 is located, at a community informational meeting, in
18 order to obtain community support of the plan. The
19 facility may proceed under paragraph (2) after
20 completion of the community informational meeting;

21 (2) Subsequent to the community informational meeting
22 under paragraph (1), the facility may present its plan



1 to the regional system board for its approval. If the
2 regional system board approves the plan, the facility
3 may proceed under paragraph (3); and

4 (3) The plan as approved by the regional system board may
5 be submitted to the corporation board for
6 ratification. The facility shall not proceed with the
7 implementation of the plan prior to ratification by
8 the corporation board.

9 (b) [~~No substantial reduction or elimination of direct~~
10 ~~patient care services at any facility shall be undertaken by the~~
11 ~~corporation without the approval of the legislature.~~] Two weeks
12 prior to implementing the plan under subsection (a), the
13 regional system board approving the plan shall give notice of
14 implementation of the plan to the president of the senate, the
15 speaker of the house of representatives, and the governor.

16 (c) [~~The legislature shall maintain review and oversight~~
17 ~~authority over the provision of direct patient care services~~
18 ~~provided at each facility and may intervene to counter or~~
19 ~~restrict any substantial reduction or elimination of patient~~
20 ~~care services.~~] The decision of the regional system board as
21 ratified by the corporation board shall be the final decision
22 with respect to the plan. Implementation of the plan shall



1 commence unless, and shall continue until, legislation is
 2 enacted to require the reinstatement and continuation of the
 3 direct patient care services that are subject to the reduction
 4 or elimination under the plan; provided that no legislation
 5 shall be enacted unless additional moneys are appropriated to
 6 sufficiently fund a mandated reinstatement and continuation of
 7 the direct patient care services."

8 SECTION 2. All acts passed during this regular session of
 9 2009, whether enacted before or after the passage of this Act,
 10 shall be amended to conform to this Act unless these acts
 11 specifically provide that this Act is being amended. In so far
 12 as this Act is inconsistent with any other law, this Act shall
 13 control.

14 SECTION 3. Statutory material to be repealed is bracketed
 15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.
 17

INTRODUCED BY:

Mel Carnale
Almond
[Signature]

[Signature]
Cindy Evans
[Signature]
[Signature]
[Signature]

H.B. NO. 701
Jeff Hanks

JAN 23 2009



Report Title:

Hawaii Health Systems Corporation; Direct Patient Care Services

Description:

Requires specific actions to be taken before any planned substantial reduction or elimination of direct patient care services at a facility of the Hawaii health systems corporation can be implemented.

