

JAN 26 2011

A BILL FOR AN ACT

RELATING TO HEALTH CARE.

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

1 SECTION 1. The legislature finds that the growth rate of
2 the elderly population in the State, those sixty-five years and
3 older, is expected to accelerate. The United States Bureau of
4 the Census reports that the proportion of Hawaii's population
5 classified as elderly is expected to increase from 12.6 per cent
6 in 1995 to 15.9 per cent in 2025. The increasing proportion of
7 the elderly requires that the State take action to anticipate
8 and prepare for the future health care needs of Hawaii's
9 population.

10 The United States Congress has already recognized the need
11 for health care reform and enacted the Affordable Care Act in
12 2010. The Affordable Care Act is intended to improve health
13 care in America by, among other things, establishing a
14 competitive health insurance market, ending discrimination
15 against pre-existing health conditions, expanding medicaid
16 coverage, enhancing the quality of health care, and reducing
17 health care fraud and waste. The legislature finds that Hawaii
18 should take similar actions to improve health care in the State.



1 One organizational change that could improve government
2 efficiency and health care is to consolidate certain health care
3 services that are currently managed by the department of health
4 and the department of human services.

5 The legislature finds that the department of health has
6 already established an office of health care assurance that
7 manages state licensing and federal certification of medical and
8 health care facilities, agencies, and services provided
9 throughout the State to ensure compliance with established
10 standards of care. Given the office's existing functions, the
11 legislature finds that health care services currently provided
12 by the department of human services and the department of health
13 should be consolidated under the jurisdiction of the office of
14 health care assurance to improve the efficiency, capacity, and
15 quality of state health care services.

16 The purpose of this Act is to consolidate the authority,
17 duties, responsibilities, and jurisdiction of the department of
18 human services and the department of health, as they relate to
19 various health care services, to the office of health care
20 assurance in the department of health on July 1, 2012.



1 SECTION 2. Beginning July 1, 2012, all rights, powers,
2 functions, and duties of the following are transferred to the
3 office of health care assurance in the department of health:

4 (1) The department of human services relating to:

5 (A) Home and community-based case management;

6 (B) Community care foster family homes; and

7 (C) Adult day care; and

8 (2) The department of health relating to:

9 (A) Adult residential care homes;

10 (B) Expanded adult residential care homes;

11 (C) Developmentally disabled domiciliary homes;

12 (D) Hospitals;

13 (E) Nursing homes;

14 (F) Dialysis;

15 (G) Home health;

16 (H) Home care;

17 (I) Federally qualified health centers;

18 (J) Adult day health;

19 (K) Mental health license crisis centers;

20 (L) Hospice;

21 (M) Free standing ambulatory surgery centers; and

22 (N) Family caregivers.



1 SECTION 3. All officers and employees whose functions are
2 transferred by this Act shall be transferred with their
3 functions and shall continue to perform their regular duties
4 upon their transfer, subject to the state personnel laws and
5 this Act.

6 No officer or employee of the State having tenure shall
7 suffer any loss of salary, seniority, prior service credit,
8 vacation, sick leave, or other employee benefit or privilege as
9 a consequence of this Act, and such officer or employee may be
10 transferred or appointed to a civil service position without the
11 necessity of examination; provided that the officer or employee
12 possesses the minimum qualifications for the position to which
13 transferred or appointed; and provided that subsequent changes
14 in status may be made pursuant to applicable civil service and
15 compensation laws.

16 An officer or employee of the State who does not have
17 tenure and who may be transferred or appointed to a civil
18 service position as a consequence of this Act shall become a
19 civil service employee without the loss of salary, seniority,
20 prior service credit, vacation, sick leave, or other employee
21 benefits or privileges and without the necessity of examination;
22 provided that such officer or employee possesses the minimum



1 qualifications for the position to which transferred or
2 appointed.

3 If an office or position held by an officer or employee
4 having tenure is abolished, the officer or employee shall not
5 thereby be separated from public employment, but shall remain in
6 the employment of the State with the same pay and classification
7 and shall be transferred to some other office or position for
8 which the officer or employee is eligible under the personnel
9 laws of the State as determined by the head of the department or
10 the governor.

11 SECTION 4. All appropriations, records, equipment,
12 machines, files, supplies, contracts, books, papers, documents,
13 maps, and other personal property heretofore made, used,
14 acquired, or held by the department of human services relating
15 to the functions transferred to the office of health care
16 assurance in the department of health shall be transferred with
17 the functions to which they relate.

18 SECTION 5. All unencumbered moneys deposited in any
19 revolving or special fund controlled by the department of human
20 services relating to the functions transferred to the department
21 of health shall lapse to the credit of the general fund.



1 SECTION 6. All rules, policies, procedures, guidelines,
2 and other material adopted or developed by the department of
3 human services to implement provisions of the Hawaii Revised
4 Statutes and which are reenacted or made applicable to the
5 office of health care assurance in the department of health by
6 this Act shall remain in full force and effect until amended or
7 repealed by the director of health pursuant to chapter 91,
8 Hawaii Revised Statutes. In the interim, every reference to the
9 department of human services or the director of human services
10 in those rules, policies, procedures, guidelines, and other
11 material is amended to refer to the department of health, office
12 of health care assurance, or the director of health, as
13 appropriate.

14 SECTION 7. All deeds, leases, contracts, loans,
15 agreements, permits, or other documents executed or entered into
16 by or on behalf of the department of human services pursuant to
17 the provisions of the Hawaii Revised Statutes that are reenacted
18 or made applicable to the office of health care assurance in the
19 department of health by this Act, shall remain in full force and
20 effect. From July 1, 2012, every reference to the department of
21 human services or the director of human services therein shall



1 be construed as a reference to the department of health or the
2 director of health, as appropriate.

3 SECTION 8. The legislative reference bureau shall prepare
4 proposed legislation that substitutes references made to the
5 "department of human services" or the "director of human
6 services" with the "office of health care assurance",
7 "department of health", or "director of health", as appropriate.
8 The legislative reference bureau shall also prepare proposed
9 legislation that substitutes references to any specific section
10 or part of chapters 321, 334, and 346, Hawaii Revised Statutes,
11 with the correct corresponding references or referring language,
12 as appropriate.

13 The legislative reference bureau shall submit the proposed
14 legislation to the legislature no later than twenty days prior
15 to the convening of the 2012 regular session.

16 SECTION 9. If any part of this Act is found to be in
17 conflict with federal requirements that are a prescribed
18 condition for the allocation of federal funds to the State, the
19 conflicting part of this Act is inoperative solely to the extent
20 of the conflict and with respect to the agencies directly
21 affected, and this finding does not affect the operation of the
22 remainder of this Act in its application to the agencies



1 concerned. The rules in effect as a result of this Act shall
2 meet federal requirements that are a necessary condition to the
3 receipt of federal funds by the State.

4 SECTION 10. The department of health and the department of
5 human services shall collaborate to implement the transfers and
6 transitions required under this Act with as little disruption to
7 ongoing duties, responsibilities, and public services provided.

8 SECTION 11. This Act shall take effect upon its approval.

9

INTRODUCED BY: *Sharon Chun Oakland*



Report Title:

Health Care Services; Consolidation; Office of Health Care Assurance

Description:

Consolidates the authority, duties, responsibilities, and jurisdiction of the department of human services and the department of health, as they relate to various health care services, to the office of health care assurance in the department of health on July 1, 2012.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

