

Honolulu, Hawaii

March 20, 2012

RE: S.B. No. 2935
S.D. 2
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Health, to which was referred S.B. No. 2935, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE COORDINATION,"

begs leave to report as follows:

The purpose of this measure is to improve health care delivery and coordination in the State by:

- (1) Establishing a public-private partnership in a county with a population between 100,000 and 170,000, to research, develop, and implement a model of health care delivery that addresses coordination of care across a spectrum of care in a cost-effective manner;
- (2) Authorizing Hale Makua Health Services to become a membership corporation with the Hawaii Health Systems Corporation as its sole member, subject to certain conditions; and
- (3) Appropriating funds relating to implementation of the public-private partnership.

Hawaii Health Systems Corporation; Hale Makua Health Services; Maui Memorial Medical Center; United Public Workers, AFSCME, Local 646, AFL-CIO; ILWU Local 142; several members of the



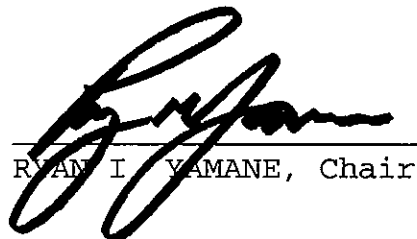
Maui County Council; and several individuals testified in support of this measure. The Department of the Attorney General commented on this measure.

Your Committee has amended this measure by:

- (1) Clarifying the delegation of rights and duties of Hawaii Health Systems Corporation to the Maui Regional System Board of Directors;
- (2) Clarifying that Hale Makua Health Services's sole membership, non-profit corporation shall be exempt from the Hawaii Public Procurement Code and additional procurement requirements for purchases of health and human services, and its employees shall be exempt from requirements of the Civil Service Law, the Hawaii Employer-Union Health Benefits Trust Fund, pension and retirement systems, and collective bargaining in public employment; and
- (3) Changing its effective date to July 1, 2050, to facilitate continued discussion.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2935, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2935, S.D. 2, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Health,



RYAN I. YAMANE, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: SB 2935, SD2	Committee Referral: HLT, FIN	Date: 3/16/12		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. MORIKAWA, Dee (VC)	✓			
3. BELATTI, Della Au	✓			
4. HANOHANO, Faye P.	✓			
5. JORDAN, Jo				✓
6. LEE, Chris	✓			
7. MIZUNO, John M.	✓			
8. WOOLEY, Jessica	✓			
9. CHING, Corinne W.L.				✓
10. PINE, Kymberly Marcos				✓
TOTAL (10)	7			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align:center; font-size:small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				