
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 finds that the Hawaii health
2 systems corporation is the fourth largest public hospital system
3 in the nation and operates public health care facilities that
4 provide essential safety-net hospital and long-term care
5 services throughout the State. The legislature further finds
6 that improving the efficiency and quality of health care
7 services in all communities of the State has become increasingly
8 important. The continued financial challenges faced by the
9 Hawaii health systems corporation and the State necessitate that
10 state government consider and explore various options to improve
11 the quality, efficiency, and availability of health care
12 services in Hawaii.

13 Prominent national studies have demonstrated that many
14 public hospital systems have struggled financially for a variety
15 of reasons, including providing a disproportionate level of
16 uncompensated and under-compensated care compared to private
17 hospital systems, and the inherent constraints and
18 inefficiencies that result from operating as a governmental



1 agency. As a result, an increasing number of public hospitals
2 have converted to non-public status.

3 The legislature finds that allowing the operations of the
4 regional systems of the Hawaii health systems corporation and
5 their facilities to transition to non-public status to address
6 the health care needs of communities throughout the State is
7 worthy of further consideration.

8 The purpose of this Act is to establish a task force to
9 study the feasibility and merits of allowing the operations of
10 one or more regional systems of the Hawaii health systems
11 corporation, or one or more of its individual health facilities,
12 to transition to non-public status.

13 SECTION 2. (a) There is established a task force that
14 shall conduct a study on the feasibility of allowing the
15 operations of one or more regional systems of the Hawaii health
16 systems corporation, or one or more of its individual health
17 facilities, to transition to non-public status. The study shall
18 examine the advantages and disadvantages of allowing the
19 operations of one or more regional systems of the Hawaii health
20 systems corporation, or one or more of its individual health
21 facilities, to transition to non-public status, and shall
22 include the effects of such a transition on:



- 1 (1) The quality of health care services available to
2 communities and the State;
- 3 (2) The operational efficiencies of health facilities in
4 communities and the State;
- 5 (3) The financial costs and benefits to the State; and
- 6 (4) Health care personnel and other employees of the
7 Hawaii health systems corporation.

8 In its discussions, the task force shall engage the input of
9 members of communities that would be affected by the Hawaii
10 health systems corporation's transition to non-public status.

11 (b) The task force shall consist of the following nine
12 members:

- 13 (1) Four members to be appointed by the president of the
14 senate;
- 15 (2) Four members to be appointed by the speaker of the
16 house of representatives; and
- 17 (3) One member to be selected by the other eight members
18 of the task force.

19 (c) The task force shall report its findings and
20 recommendations, including proposed legislation, if any, to the
21 legislature no later than twenty days prior to the convening of
22 the regular session of 2014.



1 (d) The members of the task force shall not be considered
2 employees for the purposes of chapter 84, Hawaii Revised
3 Statutes, based solely upon their participation in the task
4 force.

5 (e) The task force shall cease to exist on June 30, 2015.

6 SECTION 3. This Act shall take effect upon its approval.



Report Title:

Task Force; HHSC Transition to Non-Public Status

Description:

Establishes a task force to study the feasibility of allowing the operations of the Hawaii Health Systems Corporation regional systems and their facilities to transition to non-public status. Requires report to the Legislature prior to the 2014 Regular Session. Repeals task force on June 30, 2015. (HB1483 HD1)

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

