

JAN 24 2013

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## 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 Hawaii health systems corporation is the  
2 fourth largest public hospital system in the nation and operates  
3 public health care facilities that provide essential safety-net  
4 hospital and long-term care services throughout the State. The  
5 legislature finds that changes in the health care industry and  
6 implementation of national health care reform necessitate that  
7 the Hawaii health systems corporation board of directors have  
8 the necessary flexibility and autonomy needed for community  
9 hospitals to compete and remain viable.

10           The Hawaii health systems corporation board currently  
11 includes five regional chief executive officers who serve as ex-  
12 officio, voting members. The regional chief executive officers  
13 have been instrumental in bringing additional expertise to the  
14 board during its time of transition from a single corporation  
15 board to a multi-level board. In light of the successful  
16 establishment of the regional system boards, the significant  
17 challenges imposed by an ever-changing and complex health care  
18 environment, the time required to serve on the Hawaii health

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1 systems corporation board, and the desire for additional  
2 community participation, the legislature finds it appropriate to  
3 replace the five regional chief executive officers on the board  
4 with community members from each of the regional systems. The  
5 regional chief executive officers will continue to participate  
6 in the Hawaii health systems corporation's board meetings, along  
7 with the Hawaii health systems corporation president and chief  
8 executive officer, as invited staff.

9 The purpose of this Act is to improve accountability in the  
10 health care system, support clear and consistent roles for all  
11 regional systems, and create a more balanced multi-board tiered  
12 system by replacing the membership of the five regional chief  
13 executive officers on the Hawaii health systems corporation  
14 board of directors with members who are appointed by the  
15 respective county mayors from the counties that the members  
16 represent.

17 SECTION 2. Section 323F-3, Hawaii Revised Statutes, is  
18 amended by amending subsection (b) to read as follows:

19 "(b) The members of the corporation board shall be  
20 appointed as follows:

21 (1) The director of health as an ex-officio, voting  
22 member;



- 1        [~~2~~] ~~The five regional chief executive officers as ex-~~  
2        ~~officio, voting members,]~~
- 3        [~~3~~] (2) [~~Two~~] Three members who reside in the county of  
4        Maui [~~who~~], two of whom shall be appointed by the Maui  
5        regional system board[+] and one of whom shall be  
6        appointed by the mayor of the county of Maui;
- 7        [~~4~~] (3) [~~One member~~] Two members who [~~resides~~] reside in  
8        the eastern section of the county of Hawaii [~~who~~], one  
9        of whom shall be appointed by the East Hawaii regional  
10       system board[+] and one of whom shall be appointed by  
11       the mayor of the county of Hawaii;
- 12       [~~5~~] (4) [~~One member~~] Two members who [~~resides~~] reside in  
13       the western section of the county of Hawaii [~~who~~], one  
14       of whom shall be appointed by the West Hawaii regional  
15       system board[+] and one of whom shall be appointed by  
16       the mayor of the county of Hawaii;
- 17       [~~6~~] (5) [~~One member~~] Two members who [~~resides~~] reside on  
18       the island of Kauai [~~who~~], one of whom shall be  
19       appointed by the Kauai regional system board[+] and  
20       one of whom shall be appointed by the mayor of the  
21       county of Kauai;



1        [~~7~~] (6) [~~One member~~] Two members who [~~resides~~] reside on  
2        the island of Oahu [~~who~~], one of whom shall be  
3        appointed by the Oahu regional system board[~~7~~] and one  
4        of whom shall be appointed by the mayor of the city  
5        and county of Honolulu; and  
6        [~~8~~] (7) One member who shall be appointed by the governor  
7        and serve as an at-large voting member.

8        The appointed board members who reside in the county of  
9        Maui, eastern section of the county of Hawaii, western section  
10       of the county of Hawaii, on the island of Kauai, and on the  
11       island of Oahu shall each serve for a term of four years;  
12       provided that the terms of the initial appointments of the  
13       members who are appointed by their respective regional system  
14       boards shall be as follows: one of the initial members from the  
15       county of Maui shall be appointed to serve a term of two years  
16       and the other member shall be appointed to serve a term of four  
17       years; the initial member from East Hawaii shall be appointed to  
18       serve a term of two years; the initial member from West Hawaii  
19       shall be appointed to serve a term of four years; the initial  
20       member from the island of Kauai shall be appointed to serve a  
21       term of two years; and the initial member from the island of  
22       Oahu shall be appointed to serve a term of four years[~~7~~]; and



1 provided further that the terms of the initial appointments of  
2 the members who are appointed by the mayors of the respective  
3 counties shall be four years. The at-large member appointed by  
4 the governor shall serve a term of two years.

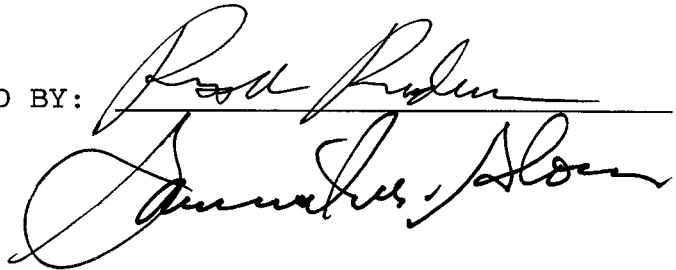
5 Any vacancy shall be filled in the same manner provided for  
6 the original appointments. The corporation board shall elect  
7 its own chair from among its members. Appointments to the  
8 corporation board shall be as representative as possible of the  
9 system's stakeholders as outlined in this subsection."

10 SECTION 3. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

The image shows two handwritten signatures in black ink. The top signature is written over a horizontal line and appears to be "Paul Rubin". The bottom signature is more cursive and appears to be "James L. Sloan".



# S.B. NO. 1355

**Report Title:**

Hawaii Health Systems Corporation Board; Composition

**Description:**

Replaces the five regional chief executive officers on the Hawaii Health Systems Corporation board with five members who are appointed by the mayors of the respective counties to which the members represent.

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

