

**HTH HEARING**

**HB1130**

**TESTIMONY**



**HAWAII HEALTH SYSTEMS**

C O R P O R A T I O N

*Quality Healthcare For All*

**Senate Committee on Health  
Senator Josh Green, M.D., Chair  
Senator Rosalyn H. Baker, Vice-Chair**

Friday, March 15, 2013  
Conference Room 229  
2:00 p.m.  
Hawaii State Capitol

**Testimony supporting House Bill 1130, HD1. Relating to the Hawaii Health Systems Corporation (HHSC) Board, ex-officio, nonvoting members. Adds five regional system board members appointed by the governor to serve as voting members on the HHSC Board.**

Bruce S. Anderson, Ph.D.  
President and Chief Executive Officer  
Hawaii Health Systems Corporation

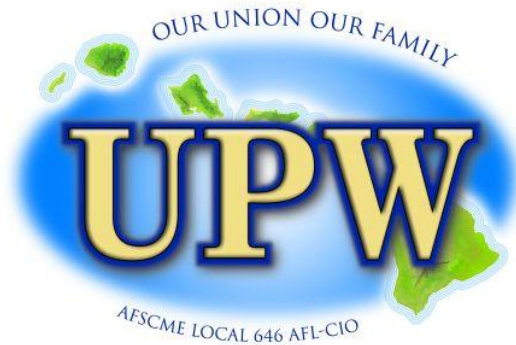
Thank you for the opportunity to testify in support of HB 1130, HD1. This measure adds more community input by giving the governor five new corporate board appointees from the five HHSC regions. Currently, the governor only has one appointee on the board, in addition to appointing the director of health, who is an ex officio member. For the reasons stated in the purpose clause, we support the addition of more community representatives as voting members on the board.

In addition, the bill changes the status of the Regional CEOs to nonvoting members. The HHSC board of directors supports this change in order to eliminate the inherent conflict of interest between the Regional CEOs allegiance to its own facilities and region, and making decisions that are in the best interest of the entire system or other regions. The Regional CEOs would continue to provide valuable input as nonvoting members.

We recommend that the last paragraph of section 2 be amended to add a list of the types of expertise desired for the board. We recommend the following language: "The board member appointments shall strive to create a board that includes expertise in the fields of medicine, finance, healthcare administration, government affairs, human resources, and law."

Thank you for the opportunity to testify.

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THE HAWAII STATE SENATE  
The Twenty-Seventh Legislature  
Regular Session of 2013

COMMITTEE ON HEALTH

The Honorable Sen. Josh Green, Chair  
The Honorable Sen. Rosalyn Baker, Vice Chair

DATE OF HEARING: Friday, March 15, 2013  
TIME OF HEARING: 2 p.m.  
PLACE OF HEARING: Conference Room 229

**TESTIMONY ON HB1130 HD1 RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION**

By DAYTON M. NAKANELUA,  
State Director of the United Public Workers, AFSCME Local 646, AFL-CIO

My name is Dayton M. Nakanelua and I am the State Director of the United Public Workers, AFSCME, Local 646, AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties. The UPW also represents about 1,500 members of the private sector.

UPW supports this measure that makes the five regional chief executive officers on the Hawaii Health Systems Corporation (HHSC) Board, ex-officio, nonvoting members and adds five regional system board members appointed by the governor to serve as voting members on the HHSC Board

The UPW believes that greater community involvement in the HHSC board is in keeping with the founding purpose of the HHSC and that community member input will provide valuable insight.

We ask that the Committee pass this measure.

Thank you for the opportunity to testify.

THE SENATE  
THE TWENTY-SEVENTH LEGISLATURE  
REGULAR SESSION OF 2013

COMMITTEE ON HEALTH

Senator Josh Green, Chair  
Senator Rosalynn H. Baker, Vice Chair

NOTICE OF HEARING

Friday, March 15, 2013  
2:00 p.m.  
Conference Room 229

**Support of HB 1130, HD 1**

Hawaii Health Systems Corporation – Composition of Corporate Board

Dear Chair Green, Vice Chair Baker, and Members of the Committee:

I am submitting testimony in support of HB 1130 HD1 which seeks to improve accountability in our health care system, support clear and consistent roles for all regional systems, and create a more balanced multi-board tiered system by shifting the voting powers of the five regional chief executive officers on the HHSC board of directors to community members who are appointed by the governor.

I have had the privilege of serving on the HHSC East Hawaii Regional Board for the past 3 ½ years. I am submitting this testimony as an individual and community member; I am not testifying on behalf of the HHSC East Hawaii Regional Board.

I agree with the purpose and intent of HB 1130 HD1. We are facing numerous new challenges, and our regions need the full attention and energy of our CEOs. There is much work to be done at both the corporate and regional levels, and requiring CEOs to devote their time and energy at both levels is too much and all of us are short changed. Furthermore the issue of and burden of conflicts of interest need to be resolved and minimized so we may effectively and efficiently move forward as a statewide system. To put it mildly, it is difficult and frustrating to continuously shift hats – from regional chief executive officer to corporate director to regional chief executive officer to corporate director.....- who are you serving, what are your responsibilities, and what are your priorities?

I believe, a revised corporate board composition will serve us well. The time has come to increase community member involvement at the corporate level. The legislature's decision to increase regional authority and responsibilities, and increase community involvement and responsibilities at the regional level has proved successful. I believe increasing community participation at our corporate level will also succeed.

Thank you very much.

Respectfully Submitted,

Gary Yoshiyama  
1247 Launa Street  
Hilo, Hawaii 96720  
March 13, 2013

**March 13, 2013**

**TO: Senate Committee on Health  
The Honorable Josh Green, Chair  
The Honorable Rosalyn H. Baker, Vice Chair  
Honorable Members of the Committee**

**Senate Committee on Ways and Means  
The Honorable David Y. Ige, Chair  
The Honorable Michelle N. Kidani, Vice Chair  
Honorable Members of the Committee**

**Hearing Date: Friday, March 15, 2013  
Time: 2:00 p.m.  
Place: Conference Room -- State Capitol  
415 South Beretania Street**

**FROM: William R. Cliff**

**SUBJECT: Testimony for HB 1130, HD1 -- Relating to Hawaii Health Systems Corporation.** Makes the five regional chief executive officers on the Hawaii Health Systems Corporation (HHSC) Board, ex-officio, nonvoting members. Adds five regional system board members appointed by the governor to serve as voting members on the HHSC Board.

Thank you for the opportunity to submit testimony regarding **HB 1130, HD1**. As a member of the West Hawaii Regional Board, I support this measure as written. The five regional CEOs should be ex-officio, non voting members. This change is necessary to avoid potential conflicts of interest with the present structure.

Thank you for allowing me to submit testimony. Your support of this measure would be greatly appreciated.

Respectfully submitted,

William R. Cliff  
Kailua Kona, HI