



LATE

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

House Committee on Finance

SB 1336, SD2, RELATING TO HEALTH CARE

**Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health**

April 1, 2013

1 **Department's Position:** The Department of Health (DOH) supports this measure to amend the Hawaii
2 Revised Statutes to designate Kahuku Medical Center as a rural hospital for the purposes of maintaining
3 its critical access hospital designation.

4 **Fiscal Implications:** None to the Department of Health.

5 **Purpose and Justification:** The purpose of this bill is to maintain Kahuku Medical Center's critical
6 access hospital designation. The main benefit of having this federal designation for Kahuku Medical
7 Center is their ability to receive enhanced (cost-based) reimbursement from the Centers for Medicare
8 and Medicaid Services. These reimbursements ensure access to healthcare for rural communities. One of
9 the requirements for being a critical access hospital is that it be located in a designated rural area or that
10 the facility be designated as a rural hospital by the State. The 2010 Census definitions of rural leave
11 Kahuku Medical Center outside of a federally designated rural area, this measure would help to protect
12 Kahuku Medical Center's critical access hospital status by designating it as a rural hospital.

13 Thank you for the opportunity to testify.

LATE

THE HAWAII STATE HOUSE OF REPRESENTATIVES
The Twenty-Seventh Legislature
Regular Session of 2013

COMMITTEE ON FINANCE

The Honorable Rep. Sylvia Luke, Chair
The Honorable Rep. Scott Nishimoto, Vice Chair
The Honorable Rep. Aaron Ling Johanson, Vice Chair

DATE OF HEARING: Monday, April 1, 2013
TIME OF HEARING: 2 p.m.
PLACE OF HEARING: Conference Room 308

TESTIMONY ON SB1336 SD2 RELATING TO HEALTH CARE

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

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 14,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 1 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.

The UPW supports SB1336 SD2 which designates the Kahuku Medical Center as a rural hospital, and we ask that you pass this measure.

Thank you for the opportunity to testify.