

# S .B. NO. 2866

JAN 23 2014

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## A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION TO THE HAWAII HEALTH SYSTEMS CORPORATION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. This Act is recommended by the governor for  
2 immediate passage in accordance with section 9 of article VII of  
3 the Constitution of the State of Hawaii.

4           SECTION 2. The purpose of this Act is to make an emergency  
5 appropriation to provide funds for the functions of the Hawaii  
6 health systems corporation and its regions. Without an  
7 emergency appropriation, Hawaii health systems corporation  
8 health care operations will be severely impacted, and the impact  
9 will place the health care of the residents and visitors of the  
10 State in jeopardy.

11           SECTION 3. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$15,500,000, or so  
13 much thereof as may be necessary, for fiscal year 2013-2014 for  
14 the purpose of supporting the functions of the Hawaii health  
15 systems corporation.

16           The sum appropriated shall be expended by the Hawaii health  
17 systems corporation for the purposes of this Act.

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

INTRODUCED BY: *Anna Mercedes K.*

BY REQUEST

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**Report Title:**

Hawaii Health Systems Corporation

**Description:**

Makes an emergency appropriation to the Hawaii Health Systems Corporation.

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

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## JUSTIFICATION SHEET

DEPARTMENT: Health.

TITLE: A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE HAWAII HEALTH SYSTEMS CORPORATION.

PURPOSE: To make an emergency appropriation to fund operations of the facilities of the Hawaii Health Systems Corporation.

MEANS: Emergency appropriation.

JUSTIFICATION: The Hawaii Health Systems Corporation (HHSC) needs \$15,500,000 to fund the new challenges facing HHSC in fiscal year 2013-2014 relating to \$8,500,000 in collective bargaining funding shortfalls and \$4,600,000 in federal reimbursement reductions, and \$2,400,000 to ensure continuing operation of Kauai region. HHSC is faced with a huge cash flow deficit and will not be able to sustain all current services and operations unless funding is received. The situation is especially dire for the Kauai regional health care system of the HHSC. The Kauai regional health care system has had to borrow money from other parts of the system to make payroll for several months.

Impact on the public:  
None.

Impact on the department and other agencies:  
None.

GENERAL FUND: \$15,500,000.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: HTH-210, HTH-212

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OTHER AFFECTED  
AGENCIES:

Department of Budget and Finance.

EFFECTIVE DATE:

Upon approval.