

Honolulu, Hawaii
February 15, 2013

RE: H.B. No. 1483
H.D. 2

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 1483, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION,"

begs leave to report as follows:

The purpose of this measure is to establish a task force to study the feasibility and merits of allowing the operations of one or more regional systems of the Hawaii Health Systems Corporation, or one or more of its individual health facilities, to transition to non-public status.

Maui Memorial Medical Center, Maui Regional Board, and numerous individuals testified in support of this measure. Numerous individuals testified in opposition to this measure. Hawaii Health Systems Corporation, Hawaii State AFL-CIO, and an individual provided comments on this measure.

Your Committee has amended this measure by:

- (1) Replacing all references to "non-public status" to "public-private partnership status";
- (2) Requiring the task force to examine whether a securitization mechanism is necessary to protect the State and to review the fiscal impact of contracting



solely with out-of-state persons for goods, services, and infrastructure;

- (3) Requiring the task force to hold public meetings with health care personnel and other employees of the Hawaii Health Systems Corporation to discuss alternative cost reductions before reductions in service are made;
- (4) Requiring the task force to include any actions being taken to incorporate the alternative cost reductions in its report to the Legislature; and
- (5) Changing the effective date to July 1, 2112, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1483, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 1483, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



