

Honolulu, Hawaii

February 8, 2013RE: H.B. No. 1484
H.D. 1

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

Sir:

Your Committees on Health and Labor & Public Employment, to which was referred H.B. No. 1484 entitled:

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

beg leave to report as follows:

The purpose of this measure is to affirm the State's commitment to provide high-quality health care and ensure the viability of community hospitals by changing the structure and composition of the Hawaii Health Systems Corporation (HHSC), which provides essential safety net hospital and long-term care services statewide. Among other things, this bill:

- (1) Eliminates Maui Regional Health Care System, East Hawaii Regional Health Care System, and West Hawaii Regional Health Care System;
- (2) Changes the corporate board structure of HHSC by removing the chief executive officers of the above-named regions;
- (3) Delineates the duties and powers of the HHSC and the regional system boards;
- (4) Provides that HHSC is the sole employer with collective bargaining negotiating authority; and



- (5) Establishes a separate personnel system and separate retirement system from the existing Employees' Retirement System (ERS) and separate bargaining units for HHSC employees.

This bill also repeals references to regional public health facility management advisory committees, which are non-existent.

HHSC and numerous individuals testified in support of this measure. The Department of Budget and Finance, ERS Board of Trustees, Hawaii Government Employees Association, and numerous individuals opposed this measure.

Your Committees have amended this measure by:

- (1) Retaining the existing Maui Regional Health Care System, East Hawaii Regional Health Care System, and West Hawaii Regional Health Care System, thereby also retaining the chief executive officers of those regions;
- (2) Deleting all references to the establishment of the HHSC Retirement System;
- (3) Changing the effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Labor & Public Employment that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1484, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1484, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committees on Health and Labor
& Public Employment,



MARK M. NAKASHIMA, Chair



DELLA AU BELATTI, Chair



