

STAND. COM. REP. NO.

**2910**

Honolulu, Hawaii

**MAR 18 2014**

RE: H.B. No. 2277  
H.D. 1  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Health, to which was referred H.B.  
No. 2277, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE TRANSFORMATION,"

begs leave to report as follows:

The purpose and intent of this measure is to support health  
care transformation by:

- (1) Changing the name of the State Health Planning and  
Development Agency to the Hawaii Health Care Planning  
and Policy Authority;
- (2) Establishing an Office of Health Care Transformation to  
be headed by a Health Care Transformation Officer within  
the Hawaii Health Care Planning and Policy Authority;
- (3) Establishing the health care transformation special  
fund;
- (4) Extending the health care transformation program, which  
is temporarily placed within the Office of the Governor,  
to June 30, 2017;
- (5) Requiring the Governor to submit progress reports on the  
health care transformation program to the Legislature no  
later than twenty days prior to the convening of the  
2015 and 2016 Regular Sessions, and extending the



Governor's submission of the final report to the Legislature on the health care transformation program to twenty days prior to the convening of the 2017 Regular Session;

- (6) Transferring the powers, duties, personnel, records, property, appropriations, funds, and other items specified in this measure of the health care transformation program temporarily placed in the Office of the Governor, to the Hawaii Health Care Planning and Policy Authority on July 1, 2017; and
- (7) Making an appropriation to carry out the functions, operations, and purposes of the health care transformation program.

Your Committee received testimony in support of this measure from the Office of the Governor; Department of Health; Office of Hawaiian Affairs; School of Nursing and Dental Hygiene, University of Hawaii at Manoa; Hawaii Health Systems Corporation, East Hawaii Region; Kaiser Permanente; Hawaii Medical Service Association; Hawaii Pacific Health; Hawaii Primary Care Association; Hawaii Association of Health Plans; Hawaii Health Information Exchange; Ho'ola Lahui Hawaii; and two individuals. Your Committee received testimony in opposition to this measure from two individuals.

Your Committee finds that a long-term plan for health care transformation in Hawaii is necessary to address issues related to quality of care, access to care, and use of health information technology to improve care. Your Committee further finds that given the complexity and evolving nature of health care, it is appropriate to update the state agency tasked with health care transformation and add a new position of Healthcare Transformation Coordinator. This measure establishes the necessary framework and authority to accomplish the objectives of health care transformation in Hawaii.

Your Committee has amended this measure by:

- (1) Inserting an appropriation amount of \$752,870;
- (2) Inserting an effective date of July 1, 2014; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



Your Committee encourages the Hawaii Health Care Planning and Policy Authority and Healthcare Transformation Coordinator to collaborate with members of the Hawaii Health Authority, who have considerable expertise.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2277, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2277, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Health,



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JOSH GREEN, Chair



