

STAND. COM. REP. NO. 2814

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 2827
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2827, S.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 provide for a permanent means to modernize health care policy in the State.

Specifically, the measure makes permanent the temporary Health Care Transformation Program by:

- (1) Changing the name of the Health Care Transformation Program to the "Office of Health Care Transformation";
- (2) Transferring the Office of Health Care Transformation from the Office of the Governor to the State Health Planning and Development Agency in the Department of Health;
- (3) Establishing a special fund for the Office of Health Care Transformation; and
- (4) Changing the name of the State Health Planning and Development Agency to the "Hawaii Health Care Planning and Policy Authority".

Your Committee received written comments in support of this measure from the Office of the Governor, Hawaii Medical Service

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Association, Hawaii Health Information Exchange, Hoola Lahui Hawaii, East Hawaii Region - Hawaii Health Systems Corporation, and Hawaii Pacific Health. Written comments in opposition to this measure were received from Community Alliance for Mental Health. Written comments were submitted by the Office of Hawaiian Affairs.

Your Committee finds that pursuant to Act 224, Session Laws of Hawaii 2013, the Health Care Transformation Program will terminate on July 1, 2015. Your Committee, however, finds that establishing and funding a permanent Office of Health Care Transformation will be instrumental to the health and well-being of the State. A high-level health care transformation officer reporting to the Governor will ensure that the needs of Hawaii's patients remain a top priority for the Governor.

Your Committee has amended this measure by:

- (1) Consolidating separate provisions relating to the annual reports submitted to the Governor and the Legislature by the Health Care Transformation Officer;
- (2) Making conforming amendments to sections 323D-1, 323D-11, and the title of part II of chapter 323D, Hawaii Revised Statutes, to reflect the name change of the "State Health Planning and Development Program" to the "Hawaii Health Care Planning and Policy Program";
- (3) Clarifying that the official at the Hawaii Health Care Planning and Policy Authority who will prescribe the duties and qualifications of the transferred employees is the Administrator, rather than the Health Care Transformation Officer;
- (4) Clarifying that the appropriations, other funds, records, equipment, machines, and other material will be transferred to the Hawaii Health Care Planning and Policy Authority, rather than the Office of Health Care Transformation;
- (5) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (6) Making technical nonsubstantive amendments for the purposes of clarity, style, and consistency.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2827, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2827, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <i>SB2827 SD1</i>	Committee Referral: <i>HTH, WAM</i>	Date: <i>2-27-14</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)		✓		
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.		✓		
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
KAHELE, Gilbert		✓		
KEITH-AGARAN, Gilbert S.C.	✓			
KOUCHI, Ronald D.	✓			
RUDERMAN, Russell E.				✓
THIELEN, Laura H.		✓		
TOKUDA, Jill N.	✓			
SLOM, Sam			✓	
	<i>7</i>	<i>4</i>	<i>1</i>	<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>Michelle N. Kidani</i></div>				
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*Only one measure per Record of Votes