

STAND. COM. REP. NO.

2683

Honolulu, Hawaii

FEB 28 2014

RE: S.B. No. 3064
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. 3064, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to amend the transition process of the Hawaii Health Systems Corporation.

More specifically, this measure:

- (1) Authorizes the Hawaii Health Systems Corporation, a regional system, or a combined regional system of two or more regional systems to transition to a nonprofit hospital corporation incorporated in Hawaii before January 1, 2000;
- (2) Requires the nonprofit hospital corporation to maintain equivalent services in acquired regions for no less than five years; and
- (3) Requires the State to continue to meet all financial obligations to public employees, including all benefits, pensions, and other financial obligations negotiated with public employees' unions before the effective date of this measure.



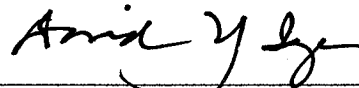
Your Committee received written comments in support of this measure from the Office of the Mayor of the County of Maui, Hawaii Health Systems Corporation, East Hawaii Regional Board of the Hawaii Health Systems Corporation, West Hawaii Regional Board of the Hawaii Health Systems Corporation, Kauai Regional Board of the Hawaii Health Systems Corporation, Kona Community Hospital, Kula Hospital and Clinic, Maui Health Leaders, Maui Memorial Medical Center, Maui Memorial Medical Center Medical Staff, and three individuals. Written comments in opposition were received from the Hawaii Government Employees Association. The Department of Budget and Finance and two individuals submitted written comments on the measure.

Your Committee finds that, as currently structured, the Hawaii Health Systems Corporation is neither financially self-sufficient nor able to ensure the long-term delivery of quality health care services to the people of Hawaii, especially those on neighbor islands. Your Committee believes that this measure provides the Hawaii Health Systems Corporation with the flexibility necessary to adapt to the changing health care environment and improve the standard of care in the State.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to facilitate further discussion on the measure.

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. 3064, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 3064, 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>SB 3064 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		✓		
	11	1	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Michelle N. Kidani</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes