
A BILL FOR AN ACT

RELATING TO CAPITAL IMPROVEMENT PROJECTS FOR THE BENEFIT OF THE
FORTY-SIXTH REPRESENTATIVE DISTRICT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that over the past ten
2 years, Wahiawa general hospital has experienced severe financial
3 difficulties due to circumstances beyond its control. These
4 circumstances have included:

5 (1) The reopening of The Queen's Medical Center West Oahu
6 in Ewa, Oahu;

7 (2) Reductions in medicare/medicaid and private insurance
8 reimbursements;

9 (3) The shortage of physicians in the State and in
10 particular, central Oahu;

11 (4) New requirements under the federal Patient Protection
12 and Affordable Care Act; and

13 (5) Increases in indigent care.

14 When Hawaii Medical Center-West closed in 2012, Wahiawa
15 general hospital experienced nearly double the cases for acute
16 inpatient care because patients who would have gone to Hawaii



1 Medical Center–West were diverted to Wahiawa general hospital.
2 The Wahiawa general hospital emergency room, which was
3 originally designed to handle ten thousand cases per year,
4 treated over twenty thousand cases as patients who would have
5 gone to Hawaii Medical Center–West were transported to Wahiawa
6 general hospital. Ambulance visits increased by twenty per
7 cent.

8 To meet this increase in demand, Wahiawa general hospital
9 hired more staff and made improvements to the emergency room.
10 However, when Hawaii Medical Center–West was purchased by The
11 Queen's Medical Center West Oahu, the number of emergency room
12 cases sent to Wahiawa general hospital decreased significantly,
13 leading to a drop by approximately twenty per cent per month.
14 By the end of the 2015 fiscal year, Wahiawa general hospital
15 experienced losses of more than \$7,500,000 in revenues.

16 The legislature further finds that when a person goes to
17 the hospital their costs are generally paid through medical
18 insurance. For persons who are seniors, disabled, or poor,
19 their health costs are covered by the federal medicare program,
20 or by the Hawaii state medicaid program. Both of these programs
21 have limitations on the amounts that may be reimbursed for



1 services rendered, as specified by law. From a practical
2 standpoint, persons who are covered by medicare or medicaid are
3 served at a loss by the physician and hospitals.

4 More than eighty-five per cent of the patients at Wahiawa
5 general hospital are covered under medicare or medicaid. With
6 only fourteen per cent of admissions being private insurance
7 patients, there are far too few of these patients who are
8 available to offset the losses experienced from the medicare and
9 medicaid patients. Accordingly, losses from medicare and
10 medicaid have been absorbed by Wahiawa general hospital.

11 The legislature further finds that Wahiawa general hospital
12 serves a community with a higher shortage of doctors than Hawaii
13 island, Molokai, and most of Maui. The shortage of private care
14 physicians on Oahu has forced Wahiawa general hospital to spend
15 an additional \$1,700,000 per year to acquire specialized
16 inpatient hospitalists and on-call surgeons to treat patients.
17 These physicians are needed at Wahiawa general hospital because
18 ninety-five per cent of inpatient admissions are for emergency
19 services.

20 Furthermore, under the federal Patient Protection and
21 Affordable Care Act, the Hawaii Medical Service Association has



1 increased Wahiawa general hospital's employee health insurance
2 costs by over \$1,000,000 per year. In addition, new policies of
3 Hawaii Medical Service Association have increased Wahiawa
4 general hospital costs and cut payments. Also, Hawaii Medical
5 Service Association, medicare, and medicaid have all recently
6 begun to aggressively deny reimbursement for inpatient and
7 outpatient services. This, in turn, further reduces patient
8 reimbursements.

9 By law, Wahiawa general hospital is required to treat
10 patients for emergency care regardless of the patient's ability
11 to pay. As the homeless population surrounding Wahiawa general
12 hospital grew, the number of indigent care cases have also
13 grown, and the number of homeless individuals in central and
14 north shore Oahu only continues to grow. Without any
15 reimbursement available for many of these cases, costs of care
16 must be absorbed solely by Wahiawa general hospital.

17 To address these circumstances, Wahiawa general hospital
18 has severely cut its programs, services, and personnel, while
19 allowing basic repair and maintenance of the infrastructure to
20 go unmet. Among other things, Wahiawa general hospital reduced
21 its staff by approximately seventy-five full-time equivalent



1 positions, eliminated the long-running family practice residency
2 teaching program, and cut more than \$9,000,000 from the annual
3 budget.

4 The legislature acknowledges that Wahiawa general hospital
5 is the only facility that provides emergency medical services in
6 a vast geographical area, extending from Mililani to Wahiawa,
7 Waialua, Sunset and Kahuku, which encompasses nearly one-third
8 of the island of Oahu.

9 If Wahiawa general hospital were to close, the nearest
10 emergency room for a person living in Wahiawa would be either
11 Pali Momi near Pearlridge, or The Queen's Medical Center West
12 Oahu, both of which are approximately fourteen miles away.

13 For a person living in Mokuleia, Sunset, or Kahuku, the
14 distance would amount to forty miles, or double the distance it
15 currently takes to go to Wahiawa general hospital.

16 Furthermore, Wahiawa general hospital is the largest
17 private employer in central Oahu, providing more than six
18 hundred jobs. More than ninety per cent of the employees of
19 Wahiawa general hospital live in the community, with most of the
20 full-time employees being members of the ILWU, UPD, and HNA
21 unions.



1 The closure of Wahiawa general hospital would be
2 devastating to entire families because heads of households would
3 need to seek reemployment while keeping up payments on a
4 mortgage, putting food on the table, and doing their utmost to
5 make life normal for their children and families.

6 In addition, as employees and their families lose their
7 sources of revenue, they will not be able to purchase goods and
8 services from within the community. Thus, shop owners and
9 service providers in the communities where these employees
10 reside will see a decrease in sales, forcing them to possibly
11 reduce hours or staff. The impact of the possible closure to
12 Wahiawa general hospital would be catastrophic to the region and
13 to the State. Accordingly, the legislature asserts that the
14 public interest is served by assisting Wahiawa general hospital
15 during its financial crisis.

16 The purpose of this Act is to appropriate funds for
17 desperately needed infrastructure improvements at Wahiawa
18 general hospital to ensure that the hospital continues to
19 operate and to ensure the health, welfare, and safety for the
20 citizens of central Oahu and the people of the State.



1 SECTION 2. The director of finance is authorized to issue
 2 general obligations bonds in the sum of \$7,935,000 or so much
 3 thereof as may be necessary and the same sum or so much thereof
 4 as may be necessary is appropriated for fiscal year 2017-2018
 5 for the purpose of financing capital improvement projects for
 6 the forty-sixth representative district, as follows:

7 A. Wahiawa general hospital, Oahu
 8 Plans, design, construction, and equipment for
 9 elevator upgrades.

10	Plans	\$1,000
11	Design	1,000
12	Construction	1,000
13	Equipment	157,000
14	Total funding	\$160,000

15 B. Wahiawa general hospital, Oahu
 16 Plans, design, construction, and equipment for a new
 17 chiller plant.

18	Plans	\$1,000
19	Design	1,000
20	Construction	1,000
21	Equipment	597,000



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1		Total funding	\$600,000
2	C.	Wahiawa general hospital, Oahu	
3		Plans, design, construction, and equipment for a new	
4		generator and transfer switches.	
5		Plans	\$1,000
6		Design	1,000
7		Construction	1,000
8		Equipment	87,000
9		Total funding	\$90,000
10	D.	Wahiawa general hospital, Oahu	
11		Plans, design, construction, and equipment for a new	
12		fire alarm system.	
13		Plans	\$1,000
14		Design	1,000
15		Construction	1,000
16		Equipment	187,000
17		Total funding	\$190,000



1 E. Wahiawa general hospital, Oahu
 2 Plans, design, construction, and equipment for a new
 3 nurse call system (WRNC and acute).

4	Plans	\$1,000
5	Design	1,000
6	Construction	1,000
7	Equipment	197,000
8	Total funding	\$200,000

9 F. Wahiawa general hospital, Oahu
 10 Plans, design, construction, and equipment for
 11 replacement hot water tank.

12	Plans	\$1,000
13	Design	1,000
14	Construction	1,000
15	Equipment	117,000
16	Total funding	\$120,000

17 G. Wahiawa general hospital, Oahu
 18 Plans, design, construction, and equipment for new air
 19 handling units on roof (L&D, two for WNRC, Old OB,
 20 CT).



1	Plans	\$1,000
2	Design	1,000
3	Construction	1,000
4	Equipment	497,000
5	Total funding	\$500,000

6 H. Wahiawa general hospital, Oahu
 7 Plans, design, construction, and equipment for new
 8 ceiling air handling unit in medical records.

9	Plans	\$1,000
10	Design	1,000
11	Construction	1,000
12	Equipment	97,000
13	Total funding	\$100,000

14 I. Wahiawa general hospital, Oahu
 15 Plans, design, construction, and equipment for new
 16 ceiling air handling unit in men's restroom across
 17 cafe.

18	Plans	\$1,000
19	Design	1,000
20	Construction	1,000
21	Equipment	97,000



1		Total funding	\$100,000
2	J.	Wahiawa general hospital, Oahu	
3		Plans, design, construction, and equipment for new air	
4		handling unit in lab.	
5		Plans	\$1,000
6		Design	1,000
7		Construction	1,000
8		Equipment	97,000
9		Total funding	\$100,000
10	K.	Wahiawa general hospital, Oahu	
11		Plans, design, construction, and equipment for	
12		replacement roof top chiller for operating room.	
13		Plans	\$1,000
14		Design	1,000
15		Construction	1,000
16		Equipment	164,000
17		Total funding	\$167,000
18	L.	Wahiawa general hospital, Oahu	
19		Plans, design, construction, and equipment for	
20		replacement of three kitchen exhaust fans.	
21		Plans	\$1,000



1	Design	1,000
2	Construction	1,000
3	Equipment	24,000
4	Total funding	\$27,000

5 M. Wahiawa general hospital, Oahu
6 Plans, design, construction, and equipment to renovate
7 admission area for HIPPA compliance.

8	Plans	\$1,000
9	Design	1,000
10	Construction	1,000
11	Equipment	57,000
12	Total funding	\$60,000

13 N. Wahiawa general hospital, Oahu
14 Plans, design, construction, and equipment to upgrade
15 landscaping.

16	Plans	\$1,000
17	Design	1,000
18	Construction	1,000
19	Equipment	7,000
20	Total funding	\$10,000



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1 O. Wahiawa general hospital, Oahu
 2 Plans, design, construction, and equipment to paint
 3 facility.

4	Plans	\$1,000
5	Design	1,000
6	Construction	1,000
7	Equipment	337,000
8	Total funding	\$340,000

9 P. Wahiawa general hospital, Oahu
 10 Plans, design, construction, and equipment to upgrade
 11 public and patient restrooms for ADA compliance.

12	Plans	\$1,000
13	Design	1,000
14	Construction	1,000
15	Equipment	1,197,000
16	Total funding	\$1,200,000

17 Q. Wahiawa general hospital, Oahu
 18 Plans, design, construction, and equipment for new
 19 sprinkler riser and alarm system (Kilani Avenue).

20	Plans	\$1,000
21	Design	1,000

1	Construction	1,000
2	Equipment	14,000
3	Total funding	\$17,000
4	R. Wahiawa general hospital, Oahu	
5	Plans, design, construction, and equipment for three	
6	new roof replacements.	
7	Plans	\$1,000
8	Design	1,000
9	Construction	1,000
10	Equipment	347,000
11	Total funding	\$350,000
12	S. Wahiawa general hospital, Oahu	
13	Plans, design, construction, and equipment for arch	
14	flash study and full tracing.	
15	Plans	\$1,000
16	Design	1,000
17	Construction	1,000
18	Equipment	207,000
19	Total funding	\$210,000



1 T. Wahiawa general hospital, Oahu
 2 Plans, design, construction, and equipment for parking
 3 lot lighting (front).

4	Plans	\$1,000
5	Design	1,000
6	Construction	1,000
7	Equipment	22,000
8	Total funding	\$25,000

9 U. Wahiawa general hospital, Oahu
 10 Plans, design, construction, and equipment for
 11 hospital bed replacement (forty acute beds).

12	Plans	\$1,000
13	Design	1,000
14	Construction	1,000
15	Equipment	262,000
16	Total funding	\$265,000

17 V. Wahiawa general hospital, Oahu
 18 Plans, design, construction, and equipment for
 19 hospital bed replacement (Five ICU beds).

20	Plans	\$1,000
21	Design	1,000



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1	Construction	1,000
2	Equipment	97,000
3	Total funding	\$100,000
4	W. Wahaiawa general hospital, Oahu	
5	Plans, design, construction, and equipment for LTC	
6	room renovation and upgrade.	
7	Plans	\$1,000
8	Design	1,000
9	Construction	1,000
10	Equipment	585,000
11	Total funding	\$588,000
12	X. Wahaiawa general hospital, Oahu	
13	Plans, design, construction, and equipment for patient	
14	room renovation and upgrade.	
15	Plans	\$1,000
16	Design	1,000
17	Construction	1,000
18	Equipment	212,000
19	Total funding	\$215,000



1	Y.	Wahiawa general hospital, Oahu	
2		Plans, design, construction, and equipment for SBH	
3		patient room renovation and upgrade.	
4		Plans	\$1,000
5		Design	1,000
6		Construction	1,000
7		Equipment	47,000
8		Total funding	\$50,000
9	Z.	Wahiawa general hospital, Oahu	
10		Plans, design, construction, and equipment for	
11		storeroom and receiving area renovation and upgrade.	
12		Plans	\$1,000
13		Design	1,000
14		Construction	1,000
15		Equipment	197,000
16		Total funding	\$200,000
17	AA.	Wahiawa general hospital, Oahu	
18		Plans, design, construction, and equipment for	
19		cafeteria renovation and upgrade.	
20		Plans	\$1,000
21		Design	1,000



1	Construction	1,000
2	Equipment	72,000
3	Total funding	\$75,000
4	BB. Wahiawa general hospital, Oahu	
5	Plans, design, construction, and equipment for	
6	operating room upgrades.	
7	Plans	\$1,000
8	Design	1,000
9	Construction	1,000
10	Equipment	123,000
11	Total funding	\$126,000
12	CC. Wahiawa general hospital, Oahu	
13	Plans, design, construction, and equipment for	
14	technology upgrades.	
15	Plans	\$1,000
16	Design	1,000
17	Construction	1,000
18	Equipment	477,000
19	Total funding	\$480,000



1 DD. Wahiawa general hospital, Oahu
 2 Plans, design, construction, and equipment for
 3 information technology infrastructure and network.

4	Plans	\$1,000
5	Design	1,000
6	Construction	1,000
7	Equipment	422,000
8	Total funding	\$425,000

9 EE. Wahiawa general hospital, Oahu
 10 Plans, design, construction, and equipment for lab
 11 renovation and upgrade.

12	Plans	\$1,000
13	Design	1,000
14	Construction	1,000
15	Equipment	72,000
16	Total funding	\$75,000

17 FF. Wahiawa general hospital, Oahu
 18 Plans, design, construction, and equipment for
 19 pharmacy renovations and upgrade.

20	Plans	\$1,000
21	Design	1,000



1	Construction	1,000
2	Equipment	157,000
3	Total funding	\$160,000
4	GG. Wahiawa general hospital, Oahu	
5	Equipment for medical x-ray, lab, and nursing	
6	equipment.	
7	Total funding	\$450,000
8	HH. Wahiawa general hospital, Oahu	
9	Plans, design, construction, and equipment for	
10	hospital common area and support area renovation and	
11	upgrade.	
12	Plans	\$1,000
13	Design	1,000
14	Construction	1,000
15	Equipment	157,000
16	Total funding	\$160,000
17	SECTION 3. The sums appropriated for the respective	
18	capital improvement projects set forth in section 2 shall be	
19	expended by the department of health for the purposes of this	
20	Act.	

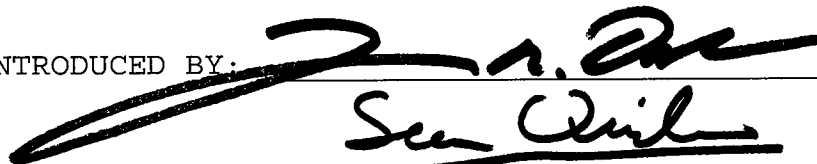


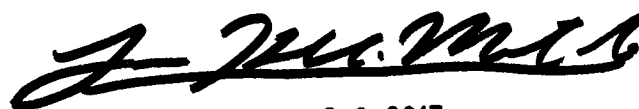
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1 SECTION 4. This Act shall take effect on July 1, 2017.

2

INTRODUCED BY:


Sen Quilley



JAN 23 2017



H.B. NO. 925

Report Title:

CIP; 46th Representative District

Description:

Authorizes issuance of general obligation bonds and appropriates funds for capital improvement projects in the 46th Representative District.

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