

Honolulu, Hawaii

FEB 15 2017

RE: S.B. No. 277
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.B. No. 277 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds for the public-private partnership established for administrative purposes to implement a model of healthcare delivery in Maui county that addresses coordination of care in a seamless, efficient, appropriate, and cost-effective manner.

Your Committee received testimony in support of this measure from Hale Makua Health Services, Hale Mahaolu, Maui Memorial Medical Center, Wailea Golf LLC, International Longshore and Warehouse Union Local 142 Hawaii, United Public Workers Local 646, and sixty-five individuals. Your Committee received comments on this measure from the Hawaii Government Employees Association.

Your Committee finds that healthcare delivery in Maui county faces challenges related to census issues, wait-list lengths, and finances. More specifically, Maui Memorial Medical Center is the only acute care hospital on the island and often exceeds its capacity resulting in back-ups in the emergency room due to lack of beds or inability to transport patients to Honolulu. In addition, subacute patients often stay in the hospital longer than necessary, which results in emergency room patients being held in the emergency room and surgical procedures being cancelled to



eliminate the need for beds. These wait list issues result in delayed care of patients for the entire island of Maui.

Your Committee further finds that a study conducted by Maui Memorial and Hale Makua showed that thirty-six percent of the wait list is related to financial issues. This population includes the uninsured, homeless, and individuals who are Medicaid ineligible. Your Committee notes that the cost to the State of the existing wait list is significant. It costs \$1,500 per day for healthcare delivery to a wait listed patient, while the cost of a patient at Hale Makua is about \$300 to \$500 per day. Your Committee finds that this measure provides a cost-effective investment in the healthcare system on the Island of Maui. Providing funds will strengthen the existing partnership between Hale Makua Health Services and Maui Memorial Medical Center.

Your Committee has amended this measure by:

- (1) Inserting a blank appropriation amount; and
- (2) Making the appropriation for the purposes of soliciting proposals to reduce the wait list at Maui Memorial Medical Center, improve the quality of care, and reduce state subsidies to Maui Memorial Medical Center related to wait list issues.

Your Committee notes that although the appropriation has been removed, the recommended appropriation for the public-private partnership is \$1,500,000 per fiscal year.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 277, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 277, S.D. 1, and be referred to your Committee on Ways and Means.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,

Rosalyn H. Baker

ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:* <i>SB277</i>	Committee Referral: <i>CPH, WAM</i>	Date: <i>2/8/17</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
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les				/
KIDANI, Michelle N.	/			
RUDERMAN, Russell E.				/
TOTAL	<i>5</i>			<i>2</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">Clarence K. Nishihara</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes