
A BILL FOR AN ACT

RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION.

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

- 1 SECTION 1. Section 323F-3, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:
3 "(b) The members of the corporation board shall be
4 appointed as follows:
5 (1) The director of health as an ex officio, voting
6 member;
7 (2) The five regional chief executive officers as ex
8 officio, nonvoting members;
9 (3) Three members who reside in the county of Maui, two of
10 whom shall be appointed by the Maui regional system
11 board and one of whom shall be appointed by the
12 governor, all of whom shall serve as voting members;
13 (4) Two members who reside in the eastern section of the
14 county of Hawaii, one of whom shall be appointed by
15 the East Hawaii regional system board and one of whom
16 shall be appointed by the governor, both of whom shall
17 serve as voting members;



- 1 (5) Two members who reside in the western section of the
2 county of Hawaii, one of whom shall be appointed by
3 the West Hawaii regional system board and one of whom
4 shall be appointed by the governor, both of whom shall
5 serve as voting members;
- 6 (6) Two members who reside on the island of Kauai, one of
7 whom shall be appointed by the Kauai regional system
8 board and one of whom shall be appointed by the
9 governor, both of whom shall serve as voting members;
- 10 (7) Two members who reside on the island of Oahu, [~~one of~~
11 ~~whom shall be appointed by the Oahu regional system~~
12 ~~board and one of whom]~~ who shall be appointed by the
13 governor, both of whom shall serve as voting members;
14 and
- 15 (8) One member who shall be appointed by the governor and
16 serve as an at-large voting member.

17 The appointed board members who reside in the county of
18 Maui, eastern section of the county of Hawaii, western section
19 of the county of Hawaii, on the island of Kauai, and on the
20 island of Oahu shall each serve for a term of four years;
21 provided that the terms of the initial appointments of the



1 members who are appointed by their respective regional system
2 boards shall be as follows: one of the initial members from the
3 county of Maui shall be appointed to serve a term of two years
4 and the other member shall be appointed to serve a term of four
5 years; the initial member from East Hawaii shall be appointed to
6 serve a term of two years; the initial member from West Hawaii
7 shall be appointed to serve a term of four years; the initial
8 member from the island of Kauai shall be appointed to serve a
9 term of two years; and the initial member from the island of
10 Oahu shall be appointed to serve a term of four years; and
11 provided further that the terms of the initial appointments of
12 the members who are appointed by the governor shall be four
13 years. The at-large member appointed by the governor shall
14 serve a term of two years.

15 Any vacancy shall be filled in the same manner provided for
16 the original appointments[-]; provided that after June 30, 2019,
17 all members who reside on Oahu shall be appointed by the
18 governor. The corporation board shall elect its own chair from
19 among its members. Appointments to the corporation board shall
20 be as representative as possible of the system's stakeholders as
21 outlined in this subsection. The board member appointments



1 shall strive to create a board that includes expertise in the
2 fields of medicine, finance, health care administration,
3 government affairs, human resources, and law."

4 SECTION 2. Section 323F-3.5, Hawaii Revised Statutes, is
5 amended as follows:

6 1. By amending subsection (a) to read:

7 "(a) [~~There~~] Except for the Oahu regional health care
8 system, there is hereby established a regional system board of
9 directors to govern each of the [~~five~~] regional systems
10 specified in section 323F-2, no later than January 1, 2008. The
11 regional system boards of directors shall carry out the duties
12 and responsibilities as set forth in this chapter and as further
13 delegated by the corporation. For the Oahu regional health care
14 system, all duties and responsibilities set forth in this
15 chapter or otherwise delegated to a regional system board shall
16 be carried out by the corporation board beginning on July 1,
17 2019."

18 2. By amending subsection (c) to read:

19 "(c) [~~Each~~] Except for the Oahu regional health care
20 system, each regional system shall be governed by a regional
21 system board of directors to consist of not less than seven



1 members and not more than fifteen members, as determined by the
2 regional system board after the initial regional system board is
3 established.

4 (1) Each regional system board shall initially consist of
5 twelve members to be appointed by the governor under
6 section 26-34 or as provided in this section, as
7 follows:

8 (A) Four members shall be appointed by the governor
9 within thirty days of receipt of a qualified list
10 of candidates as follows:

11 (i) Two members shall be chosen from a list of
12 four individuals submitted by the speaker of
13 the house of representatives within fifteen
14 days of July 1, 2007; provided that this
15 list shall not include physicians; and

16 (ii) Two members shall be chosen from a list of
17 four individuals submitted by the president
18 of the senate within fifteen days of July 1,
19 2007; provided that this list shall not
20 include physicians;



1 (B) Four members shall be appointed by the governor
2 within thirty days from a list of eight
3 individuals nominated by the regional public
4 health facility management advisory committee
5 within fifteen days of July 1, 2007. These
6 individuals may be medical and health care
7 providers and professionals, consumers, and
8 knowledgeable individuals in other appropriate
9 areas such as business, finance, and law;
10 provided that these individuals shall not be
11 physicians currently in active practice;

12 (C) Three physicians shall be appointed by the
13 governor within thirty days from a list submitted
14 within fifteen days of July 1, 2007, of six
15 physicians nominated by a majority vote of the
16 medical staff of the public health facilities in
17 the regional system present at a duly noticed
18 meeting from a list of qualified candidates
19 submitted by the medical executive committees in
20 the regional system; and



- 1 (D) The corporation board chairperson or
2 chairperson's designee shall serve as an ex
3 officio, nonvoting member of each regional system
4 board;
- 5 (2) One member of each regional system board nominated by
6 the speaker of the house of representatives, the
7 president of the senate, and medical executive
8 committees in a regional system shall be appointed for
9 a term of two years;
- 10 (3) One member of each initial regional system board
11 nominated by the regional public health facility
12 management advisory committee for the regional system
13 shall be appointed for a term of two years;
- 14 (4) The remaining members of each initial regional system
15 board and all members appointed thereafter shall be
16 appointed for terms of three years; and
- 17 (5) New regional system board members appointed to any
18 regional system board after the initial regional
19 system board shall be selected by a two-thirds
20 affirmative vote of the existing regional system board
21 members.



1 Except for the ex officio members of each regional system board,
2 all other members of a regional system board shall be residents
3 of the region. Each regional system board shall elect its own
4 chair."

5 SECTION 3. All rights, powers, functions, and duties of
6 the Oahu regional system board of directors are transferred to
7 the Hawaii health systems corporation board of directors.

8 All employees who occupy civil service positions and whose
9 functions are transferred to the Hawaii health systems
10 corporation board of directors by this Act shall retain their
11 civil service status, whether permanent or temporary. Employees
12 shall be transferred without loss of salary, seniority (except
13 as prescribed by applicable collective bargaining agreements),
14 retention points, prior service credit, any vacation and sick
15 leave credits previously earned, and other rights, benefits, and
16 privileges, in accordance with state personnel laws and this
17 Act; provided that the employees possess the minimum
18 qualifications and public employment requirements for the class
19 or position to which transferred or appointed, as applicable;
20 provided further that subsequent changes in status may be made
21 pursuant to applicable civil service and compensation laws.



1 Any employee who, prior to this Act, is exempt from civil
2 service and is transferred as a consequence of this Act may
3 retain the employee's exempt status, but shall not be appointed
4 to a civil service position as a consequence of this Act. An
5 exempt employee who is transferred by this Act shall not suffer
6 any loss of prior service credit, vacation or sick leave credits
7 previously earned, or other employee benefits or privileges as a
8 consequence of this Act; provided that the employees possess
9 legal and public employment requirements for the position to
10 which transferred or appointed, as applicable; provided further
11 that subsequent changes in status may be made pursuant to
12 applicable employment and compensation laws. The chair of the
13 Hawaii health systems corporation board may prescribe the duties
14 and qualifications of these employees and fix their salaries
15 without regard to chapter 76, Hawaii Revised Statutes.

16 SECTION 4. All appropriations, records, equipment,
17 machines, files, supplies, contracts, books, papers, documents,
18 maps, and other personal property heretofore made, used,
19 acquired, or held by the Oahu regional system board of directors
20 relating to the functions transferred to the Hawaii health



1 systems corporation board of directors shall be transferred with
2 the functions to which they relate.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 6. This Act shall take effect on July 1, 2019.

6

INTRODUCED BY:

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a horizontal line.

JAN 23 2019



H.B. NO. 1168

Report Title:

HHSC; Oahu Regional System

Description:

Repeals the Oahu regional system board of HHSC.

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