



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare for All"

SENATE COMMITTEE ON WAYS AND MEANS
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

February 21, 2019
Conference Room 211
10:00 a.m.
Hawaii State Capitol

Testimony Supporting Senate Bill 815, SD 1
Relating to the Department of Health.
Appropriates funds for operating expenses of the department of health.

Linda Rosen, M.D., M.P.H.
Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony in **support** of SB 815, SD 1 that appropriates funds for operating expenses of HHSC within the department of health.

HHSC is appreciative of the support by the Legislature to provide general fund appropriations for the operations of HHSC's facilities. However, HHSC would like to point out that the appropriation amounts contained in this bill are the amounts recommended by the Governor, and do not represent HHSC's full operational funding request. The amounts recommended by the Governor are substantially the same amount HHSC received in fiscal year 2019, and, considering all the increased cost pressures of mandated prior and current collective bargaining raises and healthcare inflation cost increases, funding at this level of appropriations would force HHSC to reduce services at all of its regions. The HHSC Corporate Board has approved a general fund appropriation request for \$36,907,000 in fiscal year 2020 and \$39,411,000 in fiscal year 2021 for HTH 212, HHSC – Regions. This represents the amount of general fund appropriations that HHSC's facilities need just to continue providing their current level of healthcare services. HHSC's regions have other regional requests for operational funding that are addressed in other bills.

This testimony addresses only the amounts that would go to HTH 212, HHSC – Regions. We expect Kahuku Medical Center and Maui Health Systems to provide their own testimony in support of the amounts appropriated for those entities in this bill.

Thank you for the opportunity to testify before this committee.