

Honolulu, Hawaii

FEB 06 , 2020

RE: H.B. No. 2630
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 2630
entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSITION OF THE OAHU
REGIONAL HEALTH CARE SYSTEM FROM THE HAWAII HEALTH SYSTEMS
CORPORATION INTO THE DEPARTMENT OF HEALTH,"

begs leave to report as follows:

The purpose of this measure is to set a date for the
transition of the Oahu Region of the Hawaii Health Systems
Corporation to the Department of Health and establish a working
group to develop a plan for the transition.

Your Committee received testimony in support of this measure
from the Department of Health; Board of Directors of the Hawaii
Health Systems Corporation; Oahu Region of the Hawaii Health
Systems Corporation; United Public Workers, AFSCME, Local 646,
AFL-CIO; and one individual.

Your Committee finds that although the Hawaii Health Systems
Corporation and its regions were originally established and
designed to be run like a health care business, the Oahu Region
operates more as a necessary social service than a health care
business. The Oahu Region has very little opportunity to increase
revenues, but its services are vital to the community, especially
given recent projections by the Department of Business, Economic



Development, and Tourism that the island of Oahu will require an additional 1,100 long-term care beds in the next five to ten years alone. Your Committee further finds that to ensure the continued availability of long-term care beds for Oahu's aging population and facilitate more efficient use of the Oahu Region's facilities to address the need for additional social services, such as mental health and substance abuse treatment, it is beneficial to transition the Oahu Region from the Hawaii Health Systems Corporation to the Department of Health.

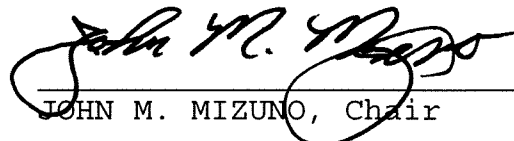
Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee hereby grants prior concurrence to your Committee on Labor & Public Employment regarding the composition of the working group for the transition. Furthermore, your Committee urges that the Oahu Region remain intact through the transition.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2630, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2630, H.D. 1, and be referred to your Committee on Labor & Public Employment.

Respectfully submitted on
behalf of the members of the
Committee on Health,



JOHN M. MIZUNO, Chair



