

LATE

Senator Jarrett Keohokalole, Chair
Senator Rosalyn H. Baker, Vice Chair
Committee On Health

Monday, February 02, 2021

Support for S.B. No. 506, Relating to the Issuance of Special Purpose Revenue Bonds to Assist Wahiawa General Hospital

I, Brian Cunningham, the CEO of Wahiawa General Hospital, testify in support of S.B. 506, Relating to the Issuance of Special Purpose Revenue Bonds to Assist Wahiawa General Hospital.

Over the past fifteen years, Wahiawa General Hospital (WGH) has experienced severe financial difficulties due to circumstances beyond its control. These circumstances have included the reopening of Queen's Medical Center West Oahu in Ewa, Oahu; reductions in Medicare, Medicaid, and private insurance reimbursements; the ongoing shortage of physicians in the State and in particular, central Oahu; new requirements under the federal Patient Protection and Affordable Care Act; uncertainty in the availability of state and federal funding caused by instability in federal health care policy; and an increasing need for provision of indigent care, which includes the homeless population. And in this past year, the COVID 19 pandemic has created even further financial challenges for WGH, as the State's only small, independent community hospital.

Yet through the commitment of many key stakeholders, WGH has continued to evolve its place in the continuum of care in Hawaii, and to continue to provide critical services for Central Oahu, the North Shore and the citizens of the state of Hawaii, such as with the opening of the island's much needed COVID 19 Sub-Acute isolation unit.

And through the implementation of its long-term strategic plan, and in collaboration with the Wahiawa Hospital Association and other healthcare partners, WGH has a bright future ahead of it with the plans beginning to come together around the future Healthcare Campus at the Koa Ridge master development plan, and with the future Wahiawa Hospital Campus development plan.

However these plans are still several years away and in the interim, WGH must address its previously incurred financial liabilities that continue to strain its finances. And with the proceeds of the requested Special Purpose Revenue Bond, WGH will be able to restructure its debt and position the organization to continue its long-standing mission of serving the healthcare needs of Central Oahu and the North Shore. Many of our citizens depend on WGH for the critical healthcare services they need, and additionally, WGH serves as a major employer in the town of Wahiawa. And through the dedicated work of the Board and the employees of WGH, and with the support of this committee with our request for a Special Purpose Revenue Bond, WGH will continue to serve long into the future.