

**JOSH GREEN**  
GOVERNOR  
KE KIA'AINA



**KENNETH S. HARA**  
MAJOR GENERAL  
ADJUTANT GENERAL  
KA 'AKUKANA KENELALA

**BRUCE E. OLIVEIRA**  
BRIGADIER GENERAL USA (Ret.)  
INTERIM DIRECTOR

STATE OF HAWAII  
KA MOKU'AINA O HAWAII  
**DEPARTMENT OF DEFENSE**  
**KA 'OIHANA PILI KAUA**  
OFFICE OF VETERANS' SERVICES  
459 PATTERSON ROAD, E-WING, ROOM 1-A103  
HONOLULU, HAWAII 96819-1522  
Telephone Number (808) 433-0420

TESTIMONY ON SENATE BILL 2837 SD2  
RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH  
SYSTEMS CORPORATION  
BEFORE THE COMMITTEE ON HEALTH AND HOMELESSNESS

BY  
BG BRUCE E. OLIVEIRA, USA, RETIRED  
INTERIM DIRECTOR OF HAWAII OFFICE OF VETERAN SERVICES

March 11, 2024

Aloha Chair Belatti, Vice-Chair Tekenouchi, and members of the committee:

I am Bruce Oliveira, Interim Director of Hawaii Office of Veterans Services, State of Hawaii, Department of Defense.

The Department of Defense (DOD) provides written testimony in **SUPPORT** of SB2837.

Hawaii Veterans served our country and state at great personal and family cost. Now we need to provide for their long-term care. There are approximately 100,000 Veterans in the State of Hawaii, of which 41,000 are aged 65 and older. Veterans Affairs authorized 268 beds for Hawaii's State Veteran Homes (SVH). Our first SVH on Hawaii Island has 95 beds. The second SVH on Oahu has 120 beds. There is currently no SVH to serve the 7,500 veterans on Maui, and we still have additional SVH beds authorized for use.

The benefits of a Maui SVH include creation of jobs, development of training programs in collaboration with the University of Hawaii Maui College, a significant increase to Maui's long-term care (LTC) bed capacity, and reduction of the acute care facility "wait list" at Maui Memorial Medical Center. Moreover, the Maui SVH will bring a new source of Federal revenue and will ultimately be a self-sustaining operation with no annual state subsidy required. The Maui SVH Project will also support four major health services and facilities plan goals. First, focus on increasing cost-effective access to necessary health care services. Second, promote the financial viability of the health care delivery system. Third, encourage optimization of services and expensive technology by ensuring that supply meets the need and costs are reasonable. Fourth, promote regionalization of services where appropriate.

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The construction of the Maui SVH is currently being undertaken by our department. However, the DOD does not have the medical expertise for continued operational oversight of a LTC health facility and requires the management, operation, and staffing of the Maui state veterans home placed under a state agency able to manage a long-term care facility.

This proposed transfer of the Maui SVH to the Oahu regional HHSC, part of the Hawaii health systems corporation established pursuant to section 323F-2, Hawaii Revised Statutes. The Maui state veterans home on Maui shall be assimilated into the Oahu regional health care system in a manner and to an extent that may be negotiated between the Oahu regional health care system and the department of defense. After assimilation, the physical assets and the ground lease of the Maui state veterans home shall become property of the Oahu regional health care system and the Maui state veterans home shall be managed by the Oahu regional health care system.

The Oahu regional health care system, at the discretion of its regional board of directors, is authorized to petition the Hawaii health systems corporation's board of directors to delegate and reassign ownership and oversight responsibility of the Maui state veterans home to another Hawaii health systems corporation region.

I urge you to support this proposal and invest in the long-term care of our veterans. Hawaii Veterans deserve the best possible healthcare and services available.

I thank you for the opportunity to provide testimony in **SUPPORT** on SB2837.

Bruce Oliveira, [Bruce.e.oliveira@hawaii.gov](mailto:Bruce.e.oliveira@hawaii.gov), 808-672-1260



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

*"Quality Healthcare For All"*

**COMMITTEE ON HEALTH & HOMELESSNESS**  
**Representative Della Au Belatti, Chair**  
**Representative Jenna Takenouchi, Vice-Chair**

March 13, 2024  
10:00 AM  
Hawaii State Capitol  
Room 329 & Via Videoconference

**Supporting the Intent of SB 2837 SD2**  
**RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH**  
**SYSTEMS CORPORATION**

Requires the transfer of the Maui State Veterans Home to the Oahu Regional Health Care System or another state agency. (SD2)

Edward N. Chu  
President & Chief Executive Officer  
Hawaii Health Systems Corporation

On behalf of the Hawai'i Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony to **support the intent of SB 2837, SD2.**

Should it be the will of the Legislature to pass this measure, we appreciate the amendments that are included in the current draft. These will allow the State Veterans home on Maui to be included into the O'ahu region, while at the same time enable other state agencies the option of management. We respectfully suggest this as a pathway towards building this needed facility on Maui.

Thank you for the opportunity to provide testimony on this matter.

TESTIMONY ON SENATE BILL 2837 SD2  
A BILL RELATING TO THE OAHU REGIONAL HEALTHCARE SYSTEM,  
HEALTH SYSTEMS CORPORATION

PRESENTATION TO  
HOUSE COMMITTEE ON HEALTH AND HOMELESSNESS

BY

**Senator Avery B. Chumbley (Retired)**  
**Hawaii Health Systems Corporation, Maui Regional Board**  
**phone: 808.244.7079 cell: 808.276.3595**  
**email: [abc@aloha.net](mailto:abc@aloha.net)**

March 13, 2024

10 AM

Chair. Della Au Belatti, Vice Chair Jenna Takenouchi and Members of the Committee,

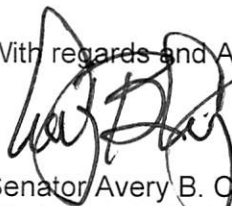
At this moment, the Maui Regional Healthcare System is non-operational, but our community remains in strong support of SB2837 SD2 and recommends passing this bill out of committee on to other House referrals, thus creating further opportunity for refined wording. We appreciate that the Department of Defense (DOD), State of Hawaii (SOH) must have qualified contract management operational oversight legislated for a 3D Hawaii State Veterans Home, (HI SVH) Maui to come to fruition. That authority resides in the Hawaii Health Systems Corporation (HHSC) Regions.

DOD has made it clear that they must have proper oversight authority put in place this legislative session, but they do not prefer transferring ownership and oversight responsibility to any particular HHSC Region. I believe the Maui Regional Healthcare System is capable to reconstitute itself in order to take on this responsibility, then we can amend legislation if necessary at a later time, or perhaps the current bill can still be legally fine-tuned to create a means of accomplishing this transfer.

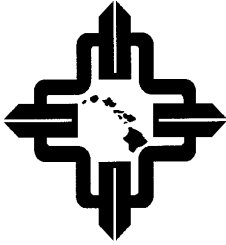
The 3D HI SVH Maui project is direly needed soonest by our Maui Veterans, their spouses and our Gold Star parents, and this project will give a much needed boost to our Maui Community. Please pass this legislation forward so this project can proceed without delay. Our Veterans and our Community are depending upon you.

Thank you for your consideration of this important legislation. Should you have any additional questions about the reconstitution of the Maui Regional Board of HHSC, please feel free to contact me.

With regards and Aloha:



Senator Avery B. Chumbley (Retired)  
Chairperson Maui Regional Board, HHSC



## **OAHU REGION HAWAII HEALTH SYSTEMS CORPORATION**

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**Committee on Health and Homelessness  
Representative Della Au Belatti, Chair  
Representative Jenna Takenouchi, Vice-Chair**

March 13, 2024, 10:00 A.M.  
Via Video Conference  
Conference Room 329  
Hawaii State Capitol

Sean Sanada  
Oahu Region Chief Administrative Officer  
Hawaii Health Systems Corporation

**Re: Testimony in Support**

SB 2837, SD2, RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM, HAWAII HEALTH SYSTEMS CORPORATION

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Chair Belatti, Vice-Chair Takenouchi, and Members of the Committee on Health and Homelessness:

SB 2837, SD2 requires the transfer of the Maui State Veterans Home to the Oahu Regional Health Care System (hereinafter, "Oahu Region") or another state agency.

The Oahu Region recognizes that, despite the high need, there is currently no state veterans home on the island of Maui to provide long-term care services for their veteran community. The Oahu Region further recognizes that management, operation, and staffing of the Maui state veterans home should be placed under a state agency with the expertise to manage a long-term care facility. Assuming that the Maui Regional Healthcare System or other state agency is unable to generate the resources required to manage a new facility on the island, the Oahu Region is willing to take on this role.

Should our participation become necessary, however, please bear in mind that construction of the Daniel K. Akaka State Veterans Home on Oahu (hereinafter, "DKASVH") will not be completed until March 2024 at the earliest. Thus, while much time and effort has gone into operational planning and construction support, we have yet to fully grasp the magnitude of our responsibilities in regard to this venture. Accordingly, we respectfully ask for the legislature's continued understanding and support as we deal with the many unforeseen legal and logistical issues that will likely arise for the DKASVH and, if given the responsibility, the planned Maui facility.

Thank you for the opportunity to provide testimony on this important measure.



**HAWAII GOVERNMENT EMPLOYEES ASSOCIATION**  
AFSCME Local 152, AFL-CIO

**RANDY PERREIRA**, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Second Legislature, State of Hawaii  
House of Representatives  
Committee on Health and Homelessness

Testimony by  
Hawaii Government Employees Association

March 13, 2024

S.B. 2837, S.D. 2 — RELATING TO THE OAHU REGIONAL HEALTH CARE SYSTEM,  
HAWAII HEALTH SYSTEMS CORPORATION.

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO strongly opposes the purpose and intent of S.B.2837, S.D. 2, which requires the transfer of the Maui State Veterans Home to the Oahu Regional Health Care System or another state agency.

The Hawaii Government Employees Association raises serious questions and concerns about this measure. For decades, Maui stakeholders, including Maui Legislators, have been outspoken proponents about keeping Maui based health facilities under the jurisdiction of their island. And quite frankly, we don't think Maui stakeholders and community members want another island to dictate what they can and cannot do. The HHSC Maui Regional Board still exists and can be charged with this responsibility, or the Maui Veterans home can be directly transferred and fall under the jurisdiction of the State Department of Health. So why would a state-run Maui Veterans home be transferred and possibly fall under the jurisdiction of the Oahu Regional Health Care system? This proposal is illogical and fails the smell test. Accordingly, we urge that it be filed.

Thank you for the opportunity to provide testimony in opposition of S.B: 2837, S.D. 2.

Respectfully submitted,



Randy Perreira  
Executive Director



TESTIMONY ON SENATE BILL 2837 SD2  
A BILL RELATING TO THE OAHU REGIONAL HEALTHCARE SYSTEM,  
HEALTH SYSTEMS CORPORATION

PRESENTATION TO  
HOUSE COMMITTEE ON HEALTH AND HOMELESSNESS

BY

Thomas M. Driskill, Jr  
COL, USA, MSC (Ret)  
698 Kaulana Place  
Honolulu, Hawaii  
96821

March 13, 2024

10 AM

Chair. Della Au Belatti, Vice Chair Jenna Takenouchi and Members of the Committee,

I am Tommy Driskill and I am testifying in strong **SUPPORT** of SB 2837 SD2 with amendments Relating to the Oahu Regional Healthcare System, Hawaii Health Systems Corporation.

Based upon my past years of experience as President/CEO, Hawaii Health Systems Corp (HHSC) Aug 1997 to Dec 2009, during which time I oversaw the planning, construction, opening and initial operation of the Yukio Okutsu State Veterans Home, Hilo and my work over the past two years and ten months overseeing construction of the Daniel K. Akaka State Veterans Home (DKA SVH), Kapolei for the Director, Office of Veterans Services, DOD, SOH, I feel uniquely qualified to strongly **SUPPORT** this legislation.

In 2021/2022, The Department of Defense (DOD) worked hard to align the DKA SVH under their administration with a goal of ultimately providing oversight of a contracted manager once the new facility was operationalized. Moving through that process, DOD determined they had **NEITHER** the medical expertise for continued operational oversight of a long-term care facility, **NOR** the legal flexibility to contract, administer and provide operational oversight for a long-term care facility. Additionally, DOD lacked legislative authority to create 501-c3 tax-free structures like HHSC. Faced with this challenging situation, Representative Ryan Yamane, District 19, introduced HB 1893 to the 2022 legislature. Recognizing the need for proper contract management oversight, this bill mandated ownership transfer of the DKA SVH from DOD to the Oahu Region, HHSC not later than June 30, 2023. The 2022 legislature passed the bill as HB 1893 HD1, SD2 CD1 and it was later signed into law by Governor David Ige as ACT 285 Session Laws of Hawaii 2022. Without this transfer of oversight authority, the DKA SVH would never have become a reality, but thanks to legislative intervention, our 120 bed Long-Term Care facility in Kapolei for Veterans, their spouses and Gold Star parents is now 99% complete. Oahu Region, HHSC has recently announced the selection of our new contract manager, Ohana Pacific Health (a local LTC corporation), furniture and equipment delivery is

now taking place, substantial construction completion / beneficial occupancy certification is projected end of April 2024 and initial patient intake is anticipated to begin in Fall 2024.

In addition to our 1<sup>st</sup> SVH, a 95 bed facility in Hilo, our new 2D SVH, a 120 bed facility in Kapolei, will help meet our Veterans and community long-term care needs, but a greater need still exists especially on our neighbor islands with particular emphasis on Maui. Accordingly, the Office of Veterans Services, DOD, SOH submitted a pre-application to the Veterans Administration Office of State Veterans Homes March, 2023 for a 3D SVH to be located on Maui. That pre-application was accepted in April, 2023 and is under continuing review. The 3D SVH, Maui is scoped to be a 60 bed, 82,500 sq ft facility, costing approximately \$93M with construction cost to be approximately shared 35% State and 65% Federal.

Today we face basically the same situation on Maui that we faced with DKA SVH on Oahu two years ago in that DOD has neither the medical expertise nor the authority to contract, administer and provide operational oversight for a long-term care facility on Maui. The legislation we are strongly supporting herein will establish authority so that operation of a 3D SVH Maui can be properly overseen by a State Agency qualified to provide this oversight. That could be the Oahu Region, HHSC which is already managing oversight for our 2D SVH, Kapolei or it could be a reconstituted Maui Region, HHSC if the Maui Community so desires.

Our AG Support Team for DOD has been working on further amended language for this SB2837 SD2 that could become an HD1 creating a mechanism for Maui Region, HHSC to supersede Oahu Region, HHSC assuming both the ownership and operational oversight responsibility for a 3D SVH on Maui if indicated. However, the AG's amended bill wording would keep the legislative language within established constitutional legal parameters. This language is maturing right now, but will ultimately be able to accommodate a Maui Region, HHSC default to assume responsibility with legally acceptable slightly revised wording.

In order to prepare to ask our Governor to submit a request to our State legislature in 2025 for our \$35M State match, that will trigger a \$58M Federal match for the 3D SVH Maui construction cost, two things much be accomplished this year:

- We must put in place legislative authority so that proper contract management oversight can be provided for operation of a 3D SVH Maui.
- We must identify state land on Maui where our new facility can be constructed. This effort is on-going as we speak.

If we fail to accomplish either of these two tasks this year, then at a minimum, this project will be set back at least another year best case. When we point out that under the most optimal circumstances, if all approvals can be obtained in a timely fashion, the very earliest we could hope to open our 3D SVH Maui for patient intake would be CY 2029 and more likely it would be CY 2030. So adding another year to this already arduous process would result in simply further delaying sorely needed care for our most deserving Veterans, their spouses and Gold Star parents.

**Bottom Line:** This self-sustaining project will greatly benefit Maui Veterans and the entire Maui Community with new construction, new jobs, new education opportunities, new Federal funding and long-term care relief. DOD is not concerned if ultimately Maui Region, HHSC, Oahu Region, HHSC or any other Region HHSC accepts ownership and provides operational oversight for our new 3D SVH Maui. However, some authority for proper contract



management operational oversight must be put in place in this 2024 Hawaii State Legislative session in order for this important project to move forward.

Thank you for your consideration of this legislation which we strongly support on behalf of both our Maui Veterans and our State-wide Hawaii Veterans, their families and our Gold Star Parents.

Thomas M Driskill Jr  
COL, USA, MSC (Ret)  
[tmdriskill@gmail.com](mailto:tmdriskill@gmail.com)  
808-499-9917

**SB-2837-SD-2**

Submitted on: 3/11/2024 10:35:47 PM

Testimony for HLT on 3/13/2024 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kathleen M McNamara	Individual	Support	Written Testimony Only

Comments:

As a psychologist who worked with Maui County veterans and their families for over 25 years I am very aware of the need for long term care for our Maui veterans and the support this would provide for their spouses and family members. I sincerely ask that this measure go forward so that the proper operational oversight authority will be in place.

Thank you for the opportunity to share my support for the legislation which will allow needed services for our Maui veterans to be available in the most timely manner.

**SB-2837-SD-2**

Submitted on: 3/12/2024 7:57:56 AM

Testimony for HLT on 3/13/2024 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
William Clayton Sam Park	Individual	Support	Written Testimony Only

Comments:

I support this bill for the veterans on Mau'i.



FROM: Senior Master Sergeant (Retired) Maui Quizon, President, Hawaii National Guard Enlisted Association

TO: The Senate Committee on Health and Human Services

DATE: March 12, 2024

SUBJECT: Testimony on Senate Bill 2837, Relating to the Oahu Regional Health Care System, Hawaii Health Systems Corporation.

Aloha Chair San Buenaventura, Vice-Chair Aquino, and members of the committee:

I am Maui Quizon, a retired Senior Master Sergeant, President of the Hawaii National Guard Enlisted Association, a non-profit organization dedicated to advocating for the welfare of over 4,600 enlisted soldiers and airmen of the Hawaii National Guard. I am submitting this written testimony in favor of SB2837, which aims to address the long-term care needs of Hawaii's veterans.

There are around 100,000 veterans in the state, with 41,000 of them being aged 65 and above. Currently, the State Veteran Homes (SVH) in Hawaii have a total of 268 authorized beds, with 95 beds on Hawaii Island and 120 beds on Oahu. However, there is a need for a SVH on Maui to cater to the 7,500 veterans residing there.

Establishing a SVH on Maui will not only provide long-term care for veterans but also create job opportunities, develop training programs with the University of Hawaii Maui College, increase Maui's LTC bed capacity, and reduce the waitlist at Maui Memorial Medical Center. This project is expected to bring in federal revenue and operate without the need for annual state subsidies.

The construction of the Maui SVH is in progress, but the Department of Defense lacks the expertise to oversee the facility's operations. Therefore, the proposed transfer of the Maui State Veterans Home to the Oahu Region, HHSC, or another capable state entity is crucial for its successful operation. This transfer is a vital step towards seeking legislative approval for the Maui SVH construction in 2025.

Supporting this proposal is essential to ensure the best healthcare and services for Hawaii's veterans. It is a way to honor their service and provide them with the care they deserve. Thank you for considering this testimony in support of SB2837.

I appreciate the opportunity to express my support for HB2837 through this testimony. Thank you.

*R. Maui Quizon*

R. MAUI QUIZON, SMSgt (Retired), HIANG  
President, Hawaii National Guard Enlisted Association

**SB-2837-SD-2**

Submitted on: 3/13/2024 8:21:13 AM

Testimony for HLT on 3/13/2024 10:00:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James K. Hussey, Jr.	Hawaii American Legion	Support	Written Testimony Only

Comments:

Strongly support passing of SB2837 for proper oversight authority for a 3D HI SVH Maui, especially since our Maui Veterans and their families deserve no less. Mahalo