

A Bill for an Act Relating to the Hawaii Health Systems Corporation.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that the Hawaii health systems corporation is the fourth largest public hospital system in the nation and operates public health care facilities that provide essential safety-net hospital and long-term care services throughout the State. Due to rapid changes in the health care industry and the impending implementation of national health care reform, the legislature acknowledges that the corporation's governing board of directors (board) must have the appropriate flexibility and autonomy needed for community hospitals to compete and remain viable.

The director of health is currently an ex-officio, nonvoting member of the board. The legislature finds that to increase the input of the administration and further the implementation of public health policies, the director of health should be given voting rights. To create an uneven number of board members for voting purposes, an additional member shall be appointed by the governor and serve as an at-large member.

The purpose of this Act is to affirm the State's commitment to provide quality health care for the people of the State by including an at-large member on the board and designating the director of health as a voting member.

SECTION 2. Section 323F-3, Hawaii Revised Statutes, is amended by amending subsections (a) and (b) to read as follows:

"(a) The corporation shall be governed by a ~~twelve member~~ thirteen-member board of directors that shall carry out the duties and responsibilities of the corporation other than those duties and responsibilities relating to the establishment of any captive insurance company pursuant to section 323F-7(c)(20) and the operation thereof.

(b) The members of the corporation board shall be appointed as follows:

- (1) The director of health as an ex-officio, ~~nonvoting~~ voting member;
- (2) The five regional chief executive officers as ex-officio, voting members; ~~and~~
- (3) Two members who reside in the county of Maui who shall be appointed by the Maui regional system board;
- (4) One member who resides in the eastern section of the county of Hawaii who shall be appointed by the East Hawaii regional system board;
- (5) One member who resides in the western section of the county of Hawaii who shall be appointed by the West Hawaii regional system board;
- (6) One member who resides on the island of Kauai who shall be appointed by the Kauai regional system board; ~~and~~
- (7) One member who resides on the island of Oahu who shall be appointed by the Oahu regional system board~~[-]; and~~
- (8) One member who shall be appointed by the governor and serve as an at-large voting member.

The appointed board members who reside in the county of Maui, eastern section of the county of Hawaii, western section of the county of Hawaii, on the island of Kauai, and on the island of Oahu shall each serve for a term of four years; provided that the terms of the initial appointments shall be as follows:

one of the initial members from the county of Maui shall be appointed to serve a term of two years and the other member shall be appointed to serve a term of four years; the initial member from East Hawaii shall be appointed to serve a term of two years; the initial member from West Hawaii shall be appointed to serve a term of four years; the initial member from the island of Kauai shall be appointed to serve a term of two years; and the initial member from the island of Oahu shall be appointed to serve a term of four years. The at-large member appointed by the governor shall serve a term of two years.

Any vacancy shall be filled in the same manner provided for the original appointments. The corporation board shall elect its own chair from among its members. Appointments to the corporation board shall be as representative as possible of the system's stakeholders as outlined in this subsection."

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

SECTION 4. This Act shall take effect on July 1, 2011.

(Approved June 15, 2011.)