H.B. NO. (553

# A BILL FOR AN ACT

RELATING TO THE OFFICE OF HEALTH CARE ASSURANCE SPECIAL FUND.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that establishing the 2 ceiling of the office of health care assurance special fund 3 through the state budget process provides greater flexibility to 4 the legislature to review spending proposals and allows the 5 department of health to avoid an artificial fiscal ceiling. The legislature further finds that the office of health care 6 assurance special fund can be used to offset increasing 7 8 operational expenses, upgrade and expand the department of 9 health's management information system for the health care 10 facility licensing program, implement and upgrade a web-based 11 portal for a robust industry-wide background check system for 12 criminal history and registry checks on health care facility 13 licensees and employees, fund state licensing surveyor and 14 support positions where general funds were eliminated or 15 reduced, and fund other contracts for inspection services. 16 The legislature also finds that, in response to the COVID-17 19 pandemic, there is increased need for public and health care

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1 facility education and outreach to ensure appropriate and high-2 quality health care facility access. Use of the office of 3 health care assurance special fund will reduce dependence on the 4 general fund during the COVID-19 pandemic and allow the 5 legislature to allocate limited general revenues for other 6 critically important programs and services. 7 The purpose of this Act is to remove the ceiling of the 8 office of health care assurance special fund. 9 SECTION 2. Section 321-1.4, Hawaii Revised Statutes, is 10 amended by amending subsections (b) and (c) to read as follows: 11 "(b) Moneys in the special fund shall be expended by the 12 department of health: 13 To assist in offsetting operating costs and (1)14 educational program expenses of the department of 15 health's office of health care assurance; and 16 (2) For the purpose of enhancing the capacity of office of 17 health care assurance programs to: 18 (A) Improve public health outreach efforts, program 19 and community development, and consultations to 20 industries regulated;



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1	(B)	Educate the public, the staff of the department
2		of health, and other departments within the
3		State, as well as staff and providers of all
4		health care facilities and agencies regulated;
5		and
6	(C)	Administer and support the durable medical
7		equipment supplier license program established
8		pursuant to part XLIII.
9	[ <del>Not more than</del>	\$327,000 of the special fund may be used during
10	<del>any fiscal yea</del>	r for the activities carried out by the office of
11	health care as	surance.]
12	(c) [ <del>Any</del>	amount in the special fund in excess of \$387,500
13	<del>on June 30 of</del>	each year shall be deposited into the general
14	fund.] Moneys	in the special fund may be used during any fiscal
15	year for the a	ctivities carried out by the office of health care
16	assurance."	
17	SECTION 2. Statutory material to be repealed is bracketed	
18	and stricken.	New statutory material is underscored.

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SECTION 3. This Act shall take effect upon its approval.
INTRODUCED BY: JAN 1 9 2022



### Report Title:

Office of Health Care Assurance Special Fund; Ceiling

#### Description:

Removes the ceiling and lapsing provision for the office of health care assurance special fund. Authorizes the moneys in the special fund to be used in any fiscal year for certain purposes.

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