JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



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Testimony in SUPPORT of SB1440 RELATING TO EXEMPTIONS FROM CIVIL SERVICE FOR CERTAIN POSITIONS IN THE DEPARTMENT OF HEALTH.

SENATOR HENRY J.C. AQUINO, CHAIR SENATE COMMITTEE ON LABOR AND TECHNOLOGY

Hearing Date: February 10, 2025 Room

Room Number: 224

1 Department Testimony: The Department of Health (DOH) strongly supports SB1424, which is

2 part of Governor Green's Administrative Package, to exempt from the civil service several

3 positions in the Department of Health (DOH), including the Hawaii State Hospital (HSH), to

4 improve public health services, behavioral health care services, emergency medical services, and

5 developmental disabilities services.

The DOH Public Information Officer (PIO) is a vital component of a robust public health
system. The communication of guidance, guidelines, and advisories is essential to increase the
health literacy and guide the behavior of Hawaii's residents in emergency and non-emergent
situations. For more than a decade, the DOH PIO has occupied an Administrative Assistant
position, the salary for which is uncompetitive with exempt PIOs in other state agencies and the
private sector.

12 The Developmental Disabilities Division (DDD) is the operating agency for the Medicaid

13 1915(c) Home and Community Based Services Waiver (HCBS Waiver) for Individuals with

14 Intellectual and Developmental Disabilities in Hawaii by virtue of a Memorandum of Agreement

15 with the Department of Human Services, Med-QUEST Division). DDD must meet all federal

16 requirements for operating the HCBS Waiver or risk the loss of federal matching funds. The

17 federal share of funding in FY2024 for HCBS Waiver Services was \$114,401,884. Compliance

18 with federal regulations requires a clear interpretation of requirements, analysis of changes that

1 must be recommended at the state policy and operational levels, analysis of resource needs, and

2 management of operational planning and implementation accountability. The Federal Initiatives

3 Operations Coordinator will ensure that the DDD remains compliant with federal requirements.

4 The Medical Directors of the Emergency Medical Services and Injury Prevention System Branch coordinate the statewide emergency medical services system to assure equity, parity, and quality 5 6 of services in rural counties. The in-depth knowledge of medicine, health care, transportation infrastructure and geography, training and education, and technology required to effectively 7 8 coordinate services for over 1.3 million residents is sufficiently specialized and uncommon that 9 existing civil service physician positions and salaries are unable to compete with the private 10 sector. Therefore, an exemption from civil service for two additional Medical Directors will make these positions more flexible and competitive for retention and recruitment purposes in 11 12 rural areas.

For the Hawaii State Hospital, the establishment of one Associate Administrator Chief of Staff, one Associate Administrator of Operations, and two project managers were recommendations from a security review conducted after the fatal incident at HSH in November 2023. The Legislature appropriated funds in the 2024 regular session to establish these new permanent positions, all intended to be exempt from civil service to compete with the private sector.

18 Thank you for the opportunity to testify.



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The Thirty-Third Legislature, State of Hawaii Senate of the Legislature of the State of Hawaii Committee on Labor and Technology

Testimony by Hawaii Government Employees Association

February 10, 2025

S.B. 1440 – RELATING TO EXEMPTIONS FROM CIVIL SERVICE FOR CERTAIN POSITIONS IN THE DEPARTMENT OF HEALTH

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO **opposes** the purpose and intent of S.B. 1440 which exempts certain positions in the Department of Health, including the Hawaii State Hospital, from Civil Service.

The HGEA raises serious concerns for the need to exempt the positions cited therein from the Civil Service. We would like to emphasize that if there are employees within these existing positions, they would lose their Civil Service rights. The use of Exempt employees, which are considered "at will" by the State of Hawaii, is completely contrary to the principles of Civil Service. Exempt employees do not have the same rights and benefits of Civil Service employees. We have consistently opposed the creation of more Exempt positions in State government and have advocated for sensible Civil Service reform.

This proposed measure goes to the larger issue which is that the Civil Service system must become more flexible, competitive, and adaptive to the current job market and public demands. The State needs to invest in its current and future Civil Service workforce – increasing the position pay and offering modern and attractive recruitment and retention incentives, along with reforming the State's administrative rules to streamline hiring in paramount. Hiring of Exempt employees is a band-aid fix to address the underlying issues within the State government workforce. Furthermore, we urge this agency to reprice these positions if they are not competitive with the market rate.

Thank you for the opportunity to testify in opposition of S.B. 1440.

Respectfully submitted,

Randy Perreira Executive Director

<u>SB-1440</u> Submitted on: 2/8/2025 8:54:16 PM Testimony for LBT on 2/10/2025 3:15:00 PM

Submitted By	Organization	Testifier Position	Testify
Dave Fields	Individual	Oppose	Remotely Via Zoom

Comments:

Thank you for the opportunity to testify on S.B. 1440, which proposes expanding the list of exempt (non–civil service) positions in the Department of Health, including adding five associate administrators and two project managers at the Hawai'i State Hospital (HSH). I oppose or respectfully request significant amendments to this measure, based on my personal experiences and broader concerns about unchecked management discretion at HSH. I recently served at HSH in a clinical capacity and witnessed firsthand how leadership can exercise its authority with troubling inconsistencies. In my case, despite strong performance reviews, I was abruptly prevented from transitioning to a permanent role. This occurred without the transparent due process one expects from a well-regulated state institution. My interactions and records strongly suggest leadership made key decisions with inadequate HR oversight or accountability.

Adding even more exempt positions at HSH—free from civil service hiring, discipline, and protection standards—risks deepening such problems. When managers can be appointed or dismissed "at will," existing issues of favoritism, retaliation, or personal bias can worsen.

Under civil service, positions must typically be filled through merit-based recruitment and standard review. HSH administration and deputy directors in the department of health already attempt to circumvent these policies. Exempt status removes these safeguards, enabling leadership to hire or fire based on subjective judgments, unencumbered by union or HR processes. Also, without normal hiring protections, employees may fear speaking up about mismanagement or ethical lapses, knowing top-level managers owe their roles entirely to a small circle of decision-makers. This dynamic can chill free reporting of problems and undermine quality of care for patients. As my personal situation indicates, HSH leadership already has significant latitude, which—if not wielded responsibly—can produce unjust outcomes for staff. Granting them five new associate administrators and two new project managers exempt from civil service gives even greater leeway to entrench unaccountable decision-making.

In conclusion, high turnover or fear-driven governance at HSH can directly affect patient wellbeing. A stable, ethically governed environment is crucial to the quality of mental health care. If managers are replaced or appointed arbitrarily, staff morale suffers, continuity of care breaks down, and patients end up paying the price.

My recommendation is that the Legislature should scrutinize whether HSH leadership has demonstrated the consistent integrity needed to wield these broader at-will powers responsibly. If additional exempt positions are truly necessary, incorporate robust checks—such as mandatory

reporting to the Legislature, annual performance audits, or explicit qualifications and term limits—to prevent abuses of power.

While there may be reasons to exempt certain specialized roles, I urge caution before significantly expanding exemptions at Hawai'i State Hospital. My personal experiences reveal a system already prone to opaque personnel decisions. Let us ensure any reforms uplift accountability and transparency—rather than opening new avenues for unchecked authority.

Thank you for considering my testimony.

Dave Fields, APRN-Rx