



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

"Touching Lives Everyday"

**House of Representatives
Committee on Finance
Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair**

Friday, February 27, 2009
2:00 PM
Conference Room 308
Hawaii State Capitol

**Testimony Opposing HB 1607
Relating to Hawaii Health Systems Corporation**
Restructures the Hawaii Health Systems Corporation so the corporate board takes on a new role as a service and coordination group to assist the regional boards in improving public hospital services

Testimony By:
Corporate Board of Directors
Hawaii Health Systems Corporation

Thank you for the opportunity to offer testimony from Hawaii Health Systems Corporation (HHSC) Board of Directors opposing HB1607.

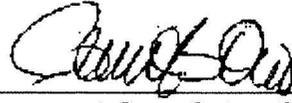
On July 1, 2007, Act 290 established five new regional system boards and reconstituted the Corporate Board creating a new balance of authority at the regional level for custodial control of assets, operations and authority and at the corporate board level for major policy, strategy and financial decisions. The implementation of Act 290 has required an enormous amount of work by both staff and governance as the new structure increased the number of Governor nominated and Senate confirmed Board members from the previous 13 to over 70. Simultaneously the corporation had to effectuate a transition of authority from corporate to regional levels. Understandably Act 290 implementation has taken a tremendous amount of time and still remains a work in progress.

The point that implementation of Act 290 remains an ongoing process is the key concern of the HHSC corporate board with HB1607. This bill is considered PREMATURE and not in the best interest of the system/regions and the communities we serve. The corporate

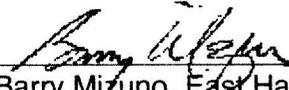
board and all five regional system boards have worked collaboratively for months to develop an HHSC legislative package of six bills which all six HHSC boards support and which constitutes the next logical step in the Act 290 implementation process. Our HHSC boards have put much thought into where we are in the Act 290 implementation process and what next steps need to be taken. We are confident that the six HHSC bills we propose, plus some additional legislative support that would further enhance our reimbursement and efficiency posture, are what is needed at this time. HB1607 considerations are appreciated, but the bill should be held in committee and all priority given to our other six primary HHSC bills that have been introduced in the 2009 Legislative Session.



Andrew Don, M.D., Maui, Chair



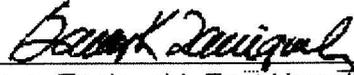
Raymond Ono, Oahu, Secretary/Treasurer



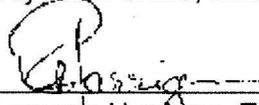
Barry Mizuno, East Hawaii



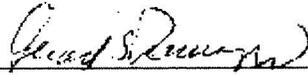
Chiyome Fukino, M.D., Ex Officio Member



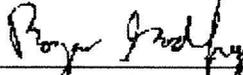
Barry Taniguchi, East Hawaii, Vice-Chair



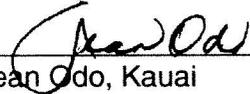
Rosanne Harrigan, EdD, Oahu



Gerald S. Tomory, M.D., Kauai

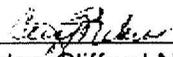


Roger Godfrey, Oahu

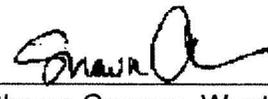


Jean Odo, Kauai

(Did not sign, will submit personal testimony)
Richard Vidgen, West Hawaii -



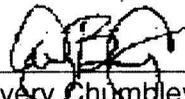
Judge Clifford Nakea, (Retired), Kauai



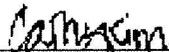
Shawn Cannon, West Hawaii



William L. Shankel, M.D., Kauai



Avery Chumbley, Maui



Catherine Nobriga Kim, Maui