



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

"Touching Lives Every Day"

LATE

March 18, 2011

IPCEO-11-020

The Honorable Karl Rhoads
House of Representatives
Hawaii State Capitol
Committee on Labor & Public Employment
415 S. Beretania Street, Room 326
Honolulu, HI 96813

Dear Chair Rhoads:

On behalf of the Hawaii Health Systems Corporation, I am requesting an amendment to House Concurrent Resolution 127, "Requesting the Department of Human Resources Development to Establish a Task force to Examine How the Compensation of State and County Employees in the State Compares with that of Government Employees in Other States and Jurisdictions."

The Resolution establishes a task force comprised of 10 members and we respectfully request that the Vice President and Director of Human Resources of the HHSC or the Director's designee be included as a member of this Task Force to represent HHSC. As a separate jurisdiction, we have 4,000 employees and the majority of registered nurses and health care occupations in State government. Decisions made by the Task Force will have significant impact upon our employees, the majority of whom are not employed by the representatives of the proposed Task Force.

We desire to be a partner in the discussions and, therefore, request an amendment to add a representative of HHSC at the table. Please contact Paul Tsukiyama, Vice President and Director of Human Resources, at 733-4152 if you have questions or need additional information.

Sincerely,

ALICE M. HALL
Interim President and Chief Executive Officer

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House Committee on Labor and Public Employment
Representative Karl Rhoads, Chair
Representative Kyle Yamashita, Vice Chair

Tuesday, March 22, 2011

9:00 A.M.

Conference Room

Hawaii State Capitol

Testimony Supporting House Concurrent Resolution 127

"Requesting the Department of Human Resources Development to Establish a Task Force to Examine How the Compensation of State and County Employees in the State Compares With That of Government Employees in Other States and Jurisdictions"

Establishes a task force of ten members to examine wages, salaries and employment compensation benefits of State and County employees in Hawaii and other jurisdictions.

Paul T. Tsukiyama

Vice President and Director of Human Resources

Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Board of Directors, thank you for the opportunity to present testimony in strong support of HCR 127 which establishes a task force to examine compensation of state and county employees in Hawaii in comparison with employees on other states and jurisdictions when factoring in Hawaii's cost of living. Ten members shall be appointed to the task force, including the State Director of Human Resources Development, City and County of Honolulu Director of Human Resources, County of Hawaii Director of the Department of Resources, County of Maui Director of the Department of Personnel Services, County of Kauai Director of the Department of Personnel Services, Chairperson of the Board of Trustees of the Hawaii Employer-Union Health Benefits Trust Fund, Chairperson of the Board of Trustees of the Hawaii State Employees' Retirement System.

HHSC is a separate State jurisdiction which employs the largest contingent of health care employees, four thousand, among the public employers, such as registered nurses (1144), pharmacists (41), radiologic technicians (125), physical therapists (24), physical therapy assistants (40), and licensed practical nurses (143). These positions are difficult to fill, in part due to competition with private health care employers, and overall because candidates are in short supply. Compounding our ability to recruit candidates is the rural locations of ten of our

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hospitals in Kau, Honokaa, Kohala, Kona, Hilo, Kula, Wailuku, Lanai, Waimea and Kapaa, with the higher cost of living in such rural communities. We continue to face challenges in attracting new candidates or returning Hawaii residents to give up higher salaries earned at mainland health care facilities for lower wages, more expensive homes, and higher food and gas prices in Hawaii.

We are requesting the addition of HHSC to the task force to provide representation of the Neighbor Island communities, many of which experience difficulty filling vacancies due to a higher cost of living and a uniform salary structure.

We respectfully request that the Vice President and Director of Human Resources of the HHSC or the director's designee be included as a member of this Task Force to represent HHSC. Decisions made by the task force will have significant impact upon our employees, the majority of whom are not employed by the representatives of the proposed task force. HHSC is interested in working with the members of the task force and the Legislature to address a growing workforce concern.

Thank you for the opportunity to testify before this committee.