

Honolulu, Hawaii

MAR 22 2013

RE: H.B. No. 1130
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Health, to which was referred H.B.
No. 1130, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII HEALTH SYSTEMS
CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to improve accountability in the health care system, support clear and consistent roles for all regional systems, and create a more balanced multi-board tiered system by shifting the voting powers of the five regional Chief Executive Officers on the Hawaii Health Systems Corporation Board of Directors to community members who are appointed by the Governor.

Your Committee received testimony in support of this measure from Hawaii Health Systems Corporation, United Public Workers, and two individuals.

Your Committee finds that changes in the health care industry and implementation of national health care reform necessitate that the Hawaii Health Systems Corporation Board of Directors (Board) have the necessary flexibility and autonomy needed for community hospitals to compete and remain viable. The Board currently includes five regional Chief Executive Officers who serve as ex-officio, voting members. In light of the successful establishment of the regional system boards, the significant challenges imposed by an ever-changing and complex health care



environment, the time required to serve on the Board, and the desire for additional community participation, your Committee finds it appropriate to shift the voting powers of the five regional Chief Executive Officers on the Board to the community members from each of the regional systems.

Your Committee has amended this measure by inserting language to identify the types of expertise that the Board should collectively include.

As affirmed by the record of votes of the members of your Committee on Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1130, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1130, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Health,



JOSH GREEN, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Health
HTH

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|---|--|----------------------------|-----|---------|
| Bill / Resolution No.:* HB 1130, HD1 | Committee Referral: HTH, WAM | Date: 03/15/2013 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312 </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311 </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310 </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313 </div> </div> | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| GREEN, Josh (C) | ✓ | | | |
| BAKER, Rosalyn H. (VC) | | | | ✓ |
| CHUN OAKLAND, Suzanne | ✓ | | | |
| NISHIHARA, Clarence K. | ✓ | | | |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 4 | 0 | 0 | 1 |
| Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted </div> | | | | |
| Chair's or Designee's Signature: | | | | |
| <div style="display: flex; justify-content: space-between; font-size: small;"> <div>Distribution:</div> <div>Original</div> <div>Yellow</div> <div>Pink</div> <div>Goldenrod</div> </div> <div style="display: flex; justify-content: space-between; font-size: x-small;"> <div>File with Committee Report</div> <div>Clerk's Office</div> <div>Drafting Agency</div> <div>Committee File Copy</div> </div> | | | | |

*Only one measure per Record of Votes