STAND. COM. REP. NO. 1933

Honolulu, Hawaii

APR 0 5 2019

RE: H.B. No. 1539

H.D. 1 S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1539, H.D. 1, S.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 create a two-phased exit plan for the Oahu Regional Health Care System from the Hawaii Health Systems Corporation.

Specifically, the first phase requires that changes in the scope or quantity of services at any facility of the Oahu Regional Health Care System shall require the prior approval of the Oahu Regional System Board.

The second phase gives the Director of Health, the Governor's Coordinator on Homelessness, and the Mayor of the City and County of Honolulu the right of first refusal to purchase the property rights of Maluhia Hospital or Leahi Hospital that are being privatized. The second phase also eliminates the Oahu Regional Health Care System from the Hawaii Health Systems Corporation.

Additionally, this measure requires the Oahu Regional System Board to develop a five-year strategic plan for the sustainability

and viability of Leahi Hospital and Maluhia Hospital as long-term care facilities on Oahu.

Your Committee received written comments in opposition to this measure from four individuals.

Your Committee received written comments on this measure from the Department of Health, Hawaii Health Systems Corporation, and Oahu Regional Health Care System.

Your Committee finds that by placing jurisdiction over Maluhia Hospital and Leahi Hospital under the Hawaii Health Systems Corporation Board of Directors, this measure can reduce the operational expenditures of the Hawaii Health Systems Corporation.

Your Committee has amended this measure by:

- (1) Correcting the terms "Oahu region" to "Oahu regional health care system," "Oahu regional board" to "Oahu regional system board," "Maui regions" to "Maui regional health care system," and "behavioral health services administration" to "behavioral health administration;"
- (2) Adding conforming amendments to section 323F-3(a), Hawaii Revised Statutes, corresponding to the changes in the size of the board of directors in parts II and III of the measure;
- (3) Clarifying that part II of the measure shall not be repealed, and part III of the measure shall not take effect, if a concurrent resolution calling for the retention of the Oahu Regional System Board is adopted; and
- (4) Making technical, nonsubstantive changes for purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1539, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1539, H.D. 1, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ONOVAN M. DELA CRUZ, Chai

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		Dat	Date:	
HB1539, HD1, SD1 CPH, WAM		AM		4/1/19	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended X Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)		X			
KEITH-AGARAN, Gilbert S.C. (VC)		X	:		
ENGLISH, J. Kalani					×
HARIMOTO, Breene					Y
INOUYE, Lorraine R.		X			
KAHELE, Kaialiʻi		X			
KANUHA, Dru Mamo		X	<u> </u>		
KIDANI, Michelle N.		X			
MORIWAKI, Sharon Y.		×			
RIVIERE, Gil		X			
SHIMABUKURO, Maile S.L.		X			
TANIGUCHI, Brian T.		,	Х		
FEVELLA, Kurt		X			
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TOTAL		10	1		2
Recommendation:					
X Adopted Not Adopted					
Chair's or Designee's Signature:					
ON SC Kab Gor					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

*Only one measure per Record of Votes