STAND. COM. REP. NO. 5

Honolulu, Hawaii FEB 0 4 ^{, 2020}

RE: H.B. No. 2502 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committee on Health, to which was referred H.B. No. 2502 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to maintain the quality of health care for patients in rural areas of Hawaii by requiring the State Health Planning and Development Agency to grant existing hospitals and dialysis facilities in rural subareas the right of first refusal to internally expand their facilities to address the needs of their communities prior to the issuance of a certificate of need to an applicant seeking to open a new hospital or dialysis facility in the same rural subarea.

Your Committee received testimony in support of this measure from Hawaii Teamsters & Allied Workers Union Local 996 and Liberty Dialysis-Hawaii. Your Committee received testimony in opposition to this measure from Kaiser Permanente Hawaii. Your Committee received comments on this measure from the Department of Health, State Health Planning and Development Agency, The Queen's Health Systems, and Hawaii Primary Care Association.

Your Committee recognizes that a health care workforce shortage exists, especially in certain areas of the State, and notes that there are no dialysis facilities in the Puna area of



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the island of Hawaii. Furthermore, your Committee respectfully encourages the Representative of the Fourth District to work with dialysis service providers to determine the feasibility of offering home care dialysis, particularly in rural communities.

Your Committee has amended this measure by:

- (1) Removing language that would have required the State Health Planning and Development Agency to:
 - (A) Offer existing hospitals or dialysis facilities in a rural subarea a right of first refusal before issuing a certificate of need to an applicant seeking to open a new hospital or dialysis facility in that same subarea; and
 - (B) Include in its certificate of need review for a new hospital or dialysis facility in a rural subarea a determination of public need and reasonableness of cost;
- (2) Requiring the State Health Planning and Development Agency to consider the relationship to the existing health care system of an area, including workforce availability, as part of its certificate of need review;
- (3) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2502, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2502, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.



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

The M.Y JOHN M. MIZUNO, Chai



State of Hawaii House of Representatives The THIRTIETH Legislature

HSCR 51-20

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 2502	Committee Referral: HT, CPC, FIN		Date:	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit) 				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)				
2. KOBAYASHI, Bertrand (VC)	V			
3. BELATTI, Della Au				
4. NAKAMURA, Nadine K.			n ng mga pagta ng ng tao pagta at sa ana ang tao	
4. NAKAMUKA, Naume K.				
5. SAN BUENAVENTURA, Joy A	uleur al al paras et Bérgard d'active de l'Astra a activ X.			
6. SAY, Calvin K.Y.	ng pang ng pang kanala na na sa na ng manang kanala na pang na		nan filipining alan sa di kana dan sa da kana d	inst o
7. TOKIOKA, James Kunane			and the second second	
			an a	
8. WARD, Gene	V			
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TOTAL (8)	5	2	Ð	
The recommendation is: Adopted If joint referral, did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				