STAND. COM. REP. NO. 856

Honolulu, Hawaii APR 0 9 , 2021 RE: S.B. No. 628 S.D. 2 H.D. 2

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 628, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSITION OF THE OAHU REGIONAL HEALTH CARE SYSTEM FROM THE HAWAII HEALTH SYSTEMS CORPORATION INTO THE DEPARTMENT OF HEALTH,"

begs leave to report as follows:

The purpose of this measure is to:

- Begin the transfer of the Oahu Regional Health Care System in its entirety from the Hawaii Health Systems Corporation to the Department of Health;
- (2) Authorize the Department of Health to conduct long-term care and substance abuse treatment at Leahi Hospital and Maluhia and to pay rent for the use of the Leahi Hospital property;
- (3) Require the Department of Health to consult with the University of Hawaii regarding programs at Leahi Hospital and Maluhia and allow University of Hawaii students to rotate through those facilities for training purposes;



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- (4) Prohibit the planned elimination or reduction of direct patient care services at Leahi Hospital or Maluhia unless certain conditions are met;
- (5) Establish a working group to enable the Oahu Regional Health Care System, Department of Health, Hawaii Health Systems Corporation, and other state agencies to develop, evaluate, and implement the processes required to complete the transition;
- (6) Clarify the rights, powers, and exemptions of the Oahu Regional System Board during the transition period of the Oahu Regional Health Care System into the Department of Health, and the rights, powers, and exemptions of the Inpatient Services Division of the Department of Health after the transition is complete;
- (7) Authorize the issuance of general obligation bonds for improvements to Leahi Hospital and Maluhia; and
- (8) Appropriate funds from the Mental Health and Substance Abuse Special Fund to operate Leahi Hospital and Maluhia.

Your Committee received testimony in support of this measure from the University of Hawai'i System, Kapi'olani Medical Center for Women and Children, Hawaii Health Systems Corporation, Oahu Region of the Hawaii Health Systems Corporation, and The Queen's Health Systems. Your Committee received testimony in opposition to this measure from the State Procurement Office. Your Committee received comments on this measure from the Department of the Attorney General; Department of Health; Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO; and United Public Workers, AFSCME Local 646, AFL-CIO.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 628, S.D. 2, H.D. 2, and recommends that it pass Third Reading.



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

SYLVIA LUKE, Chair



State of Hawaii House of Representatives The Thirty-first Legislature

HSCR 1856

Record of Votes of the Committee on Finance

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	tee Referral:	Date:	4-7-	202-1
SB 628, SD2, HD2 HHH, LAT, FIN 4-7-2021 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. LUKE, Sylvia (C)	~			
2. CULLEN, Ty J.K. (VC)				
3. BRANCO, Patrick Pihana				
4. ELI, Stacelynn K.M.				
5. HOLT, Daniel				
6. ILAGAN, Greggor			• • • • • • • • • • • • • • • • • • •	
7. KOBAYASHI, Bertrand				
8. MARTEN, Lisa				
9. NISHIMOTO, Scott Y.			1 - 0040-0P	
10. PERRUSO, Amy A.				
11. SAYAMA, Jackson D.		-		
12. TAM, Adrian K.				
13. WILDBERGER, Tina			·	
14. YAMASHITA, Kyle T.				
15. McDERMOTT, Bob			1	
			- ×	
TOTAL (15)	/5	Ø	Ø	Ø
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				