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## A BILL FOR AN ACT

RELATING TO THE OFFICE OF HEALTHCARE ASSURANCE SPECIAL FUND.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to increase the  
2 annual expenditure ceiling of the office of healthcare assurance  
3 special fund to offset increasing operational expenses that  
4 include contracts to implement a new management information  
5 system and background checks system, as well as diminish  
6 dependence on the general fund. Furthermore, in response to the  
7 COVID-19 pandemic, there is increased need for public education  
8 and outreach to assure appropriate and high-quality healthcare  
9 facility access.

10           SECTION 2. Section 321-1.4, Hawaii Revised Statutes, is  
11 amended by amending subsections (b) and (c) to read as follows:

12           "(b) Moneys in the special fund shall be expended by the  
13 department of health:

14           (1) To assist in offsetting operating costs and educational  
15                 program expenses of the department of health's office  
16                 of health care assurance; and

17           (2) For the purpose of enhancing the capacity of office of  
18                 health care assurance programs to:

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- 1 (A) Improve public health outreach efforts, program and  
2 community development, and consultations to  
3 industries regulated;
- 4 (B) Educate the public, the staff of the department of health,  
5 and other departments within the State, as well  
6 as staff and providers of all health care  
7 facilities and agencies regulated; and
- 8 (C) Administer and support the durable medical equipment  
9 supplier license program established pursuant to  
10 part XLIII.

11 Not more than [~~\$327,000~~] \$500,000 of the special fund may  
12 be used during any fiscal year for the activities carried out by  
13 the office of health care assurance.

14 (c) Any amount in the special fund in excess of [~~\$387,500~~]  
15 \$600,000 on June 30 of each year shall be deposited into the  
16 general fund."

17 SECTION 3. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

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22 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: *am*

BY REQUEST

JAN 25 2021

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**Report Title:**

Office of Healthcare Assurance Special Fund; Ceiling

**Description:**

Increase ceiling of the Office of Healthcare Assurance Special Fund to meet expanding program needs and diminish dependence on the general fund.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

JUSTIFICATION SHEET

DEPARTMENT: HEALTH

TITLE: A BILL FOR AN ACT RELATING TO THE OFFICE OF HEALTHCARE ASSURANCE SPECIAL FUND.

PURPOSE: Increase the annual expenditure ceiling from \$327,000 to \$500,000 to meet expanding program needs.

MEANS: Amend section 329-1.4(b) and (c), Hawaii Revised Statutes.

JUSTIFICATION: Additional financial resources are required to implement new computer systems that will upgrade and expand the Department of Health healthcare facility licensing program, including implementation of a criminal background history check system for healthcare employees. Furthermore, the COVID-19 pandemic has revealed opportunities for more public education and outreach as well as healthcare facility training.

Impact on the public: Improved healthcare quality.

Impact on the department and other agencies: N/A.

GENERAL FUND: Diversion of several thousands of dollars from general fund deposit to special fund deposit.

OTHER FUNDS: N/A.

PPBS PROGRAM DESIGNATION: HTH-720.

OTHER AFFECTED AGENCIES: N/A.

EFFECTIVE DATE: Upon approval.