
A BILL FOR AN ACT

RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.

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

1 SECTION 1. Section 323D-2, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 "Health care" means the improvement of a person's health
5 through the prevention, diagnosis, treatment, and amelioration
6 or cure of disease, illness, injury, or other physical and
7 mental impairment, regardless of the setting in which those
8 services are delivered. "Health care" includes oral health,
9 behavioral health, and long-term care."

10 SECTION 2. Section 323D-12, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§323D-12 Health planning and development functions; state**
13 **agency.** (a) The state agency shall:

14 (1) Have as a principal function the responsibility for
15 promoting ~~[accessibility for all the people of the~~
16 ~~State to quality health care services at reasonable~~
17 ~~cost. The state agency shall conduct such studies and~~



1 ~~investigations as may be necessary as to the causes of~~
2 ~~health care costs including inflation. The state~~
3 ~~agency may contract for services to implement this~~
4 ~~paragraph. The certificate of need program mandated~~
5 ~~under part V shall serve this function. The state~~
6 ~~agency shall promote the sharing of facilities or~~
7 ~~services by health care providers whenever possible to~~
8 ~~achieve economies and shall restrict unusual or~~
9 ~~unusually costly services to individual facilities or~~
10 ~~providers where appropriate,] universal access to~~
11 high-quality, equitable, and affordable health care
12 for all the people of the State;

- 13 (2) [~~Serve as staff to and provide technical assistance~~
14 ~~and advice to the statewide council and the subarea~~
15 ~~councils in the preparation, review, and revision of~~
16 ~~the state health services and facilities plan,]~~
17 Provide, throughout state government, leadership and
18 coordination of activities and resources that affect
19 health care access and quality, including health
20 insurance coverage rates, health insurance benefits,
21 affordability, workforce health, reimbursements,



1 quality, administrative simplification, workforce
2 development, and health information technology;

3 (3) ~~[Conduct the health planning activities of the State~~
4 ~~in coordination with the subarea councils, implement~~
5 ~~the state health services and facilities plan, and~~
6 ~~determine the statewide health needs of the State~~
7 ~~after consulting with the statewide council; and]~~
8 Establish a state health services, workforce, and
9 facilities plan and update that plan every four years
10 following consultation with the statewide council;

11 (4) Administer the state certificate of need program
12 pursuant to part V[-], and serve as staff to and
13 provide technical assistance and advice for the
14 statewide council and subarea councils; and

15 (5) Develop an annual state global budget based on total
16 costs of health care to:

17 (A) Prevent costs from rising faster than general
18 inflation; and

19 (B) Assure affordability of health care services;
20 provided that the plan shall be developed no later
21 than 2025 and shall be updated annually thereafter;



1 provided further that the plan shall be developed and
 2 updated in consultation with the governor, department
 3 of budget and finance, the board of trustees of the
 4 Hawaii employer-union health benefits trust fund, and
 5 all administrators of public and private health plans
 6 and providers of health insurance coverage.

7 (b) The state agency may:

8 (1) Prepare [~~such reports and recommendations~~]:

9 (A) Reports;

10 (B) Related health statistics as necessary to monitor
 11 and improve health care access, outcomes, equity,
 12 quality, costs, and cost-effectiveness; and

13 (C) Recommendations,

14 on Hawaii's health care costs and public or private
 15 efforts to reduce or control costs and improve health
 16 care quality as [~~it~~] the state agency deems necessary.

17 [~~The~~] A report may include[~~, but not be limited to,~~]
 18 review of health insurance plans, the availability of
 19 various kinds of health insurance and malpractice
 20 insurance to consumers, and strategies for increasing



- 1 competition in the health insurance field~~[]~~ and
2 across the health care delivery system;
- 3 ~~[(2) Prepare and revise as necessary the state health~~
4 ~~services and facilities plan.]~~
- 5 ~~[(3) Prepare, review, and revise the annual implementation~~
6 ~~plan.]~~
- 7 ~~[(4)]~~ (2) Assist the statewide council in the performance
8 of its functions~~[]~~;
- 9 ~~[(5)]~~ (3) Determine the need for new health services
10 proposed to be offered within the State~~[]~~;
- 11 ~~[(6)]~~ (4) Assess existing health care services and
12 facilities to determine whether there are redundant,
13 excessive, or inappropriate services or facilities and
14 make public findings of any that are found to be so.
15 The state agency shall weigh the costs of the health
16 care services or facilities against the benefits the
17 services or facilities provide and there shall be a
18 negative presumption against marginal services~~[]~~;
- 19 ~~[(7)]~~ (5) Provide technical assistance to persons, public
20 or private, in obtaining and filling out the necessary
21 forms for the development of projects and programs~~[]~~;



1 [~~9~~] (6) Prepare reports, studies, and recommendations on
 2 emerging health issues, such as medical ethics, health
 3 care rationing, involuntary care, care for the
 4 indigent, and standards for research and development
 5 of biotechnology [~~and~~], genetic engineering[-], remote
 6 monitoring, artificial intelligence, and workforce
 7 development; and

8 [~~9~~] (7) Conduct [~~such~~] other activities as are necessary
 9 to meet the purposes of this chapter."

10 SECTION 3. In accordance with section 9 of article VII, of
 11 the Constitution of the State of Hawaii and sections 37-91 and
 12 37-93, Hawaii Revised Statutes, the legislature has determined
 13 that the appropriation contained in this Act will cause the
 14 state general fund expenditure ceiling for fiscal year 2024-2025
 15 to be exceeded by \$, or per cent. The reasons
 16 for exceeding the general fund expenditure ceiling are that the
 17 appropriation made in this Act is necessary to serve the public
 18 interest and to meet the needs provided for by this Act.

19 SECTION 4. There is appropriated out of the general
 20 revenues of the State of Hawaii the sum of \$ or so much
 21 thereof as may be necessary for fiscal year 2024-2025 for



1 administrative costs and to establish the following positions
2 within the state health planning and development agency:

3 (1) One full-time equivalent (1.0 FTE) administrative
4 specialist IV position;

5 (2) One full-time equivalent (1.0 FTE) research
6 statistician VI position, who shall serve as a state
7 healthcare informatician;

8 (3) One full-time equivalent (1.0 FTE) research
9 statistician V position, who shall serve as an
10 administrative data specialist;

11 (4) One full-time equivalent (1.0 FTE) program specialist
12 VI position, who shall serve as a state health
13 planner;

14 (5) One full-time equivalent (1.0 FTE) program specialist
15 IV position, who shall serve as a health planning
16 liaison for the county of Hawaii;

17 (6) One full-time equivalent (1.0 FTE) program specialist
18 IV position, who shall serve as a health planning
19 liaison for the county of Kauai;



1 (7) One full-time equivalent (1.0 FTE) program specialist
2 IV position, who shall serve as a health planning
3 liaison for the county of Maui; and

4 (8) One full-time equivalent (1.0 FTE) program specialist
5 IV position, who shall serve as a health planning
6 liaison for the city and county of Honolulu.

7 The sum appropriated shall be expended by the department of
8 health for the purposes of this Act.

9 SECTION 5. Statutory material to be repealed is bracketed
10 and stricken. New statutory material is underscored.

11 SECTION 6. This Act shall take effect on December 31,
12 2050.



Report Title:

Department of Health; SHPDA; Function and Duties; Positions;
General Fund Expenditure Ceiling Exceeded; Appropriation

Description:

Amends the functions and duties of the State Health Planning and Development Agency. Clarifies the definition of "health care". Establishes positions. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Effective 12/31/2050. (SD2)

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