

STAND. COM. REP. NO. 1315

Honolulu, Hawaii

MAR 18, 2025

RE: S.B. No. 1441
S.D. 2
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Health, to which was referred S.B. No. 1441, S.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:

- (1) Repeal the requirement to transfer the Oahu Regional Health Care System from the Hawaii Health Systems Corporation to the Department of Health;
- (2) Repeal amendments to the Hawaii Revised Statutes made by Act 212, Session Laws of Hawaii 2021, that relate to the transfer of the Oahu Regional Health Care System from the Hawaii Health Systems Corporation to the Department of Health; and
- (3) Require the Oahu Regional Health Care System and the Department of Health enter into an agreement regarding the Oahu Regional Health Care System under certain terms and report to the Legislature.



Your Committee received testimony in support of this measure from the Department of Health; Hawaii Health Systems Corporation Corporate Board of Directors; and Oahu Region of the Hawaii Health Systems Corporation. Your Committee received comments on this measure from the University of Hawai'i System.

Your Committee finds that Act 212, Session Laws of Hawaii 2021 (Act 212), required the Hawaii Health Systems Corporation to transfer the Oahu Regional Health Care System (Oahu Region) to the Department of Health, in part to provide the Department of Health with additional infrastructure and resources to address the gap in the behavioral health care system between acute psychiatric care facilities and low acuity residential treatment. Your Committee further finds that the working group convened pursuant to Act 212 has determined that completing the transition of the Oahu Region to the Department of Health would come at an exceptionally high cost and would not result in additional services for the community. Your Committee believes that requiring the Department of Health and Oahu Region to enter into a formal agreement regarding care of low acuity patients in the Department of Health's custody, as proposed by this measure, is a more cost-effective option that would still ensure Leahi Hospital and Maluhia are appropriately utilized.

Your Committee has amended this measure by:

- (1) Specifying that the Oahu Region and Department of Health shall enter into a formal memorandum of agreement for the care of certain psychiatrically stable patients transferred or discharged from the Hawaii State Hospital to an appropriate Oahu Region facility and specifying the conditions of the agreement;
- (2) Requiring the Oahu Region, rather than the Oahu Region and the Department of Health, to report to the Legislature and clarifying the contents of the report;
- (3) Changing the effective date to July 1, 3000, 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 S.B. No. 1441, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1441, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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



GREG TAKAYAMA, Chair



