

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



SIERRA WHITESIDE
CHAIRPERSON

DAINTRY BARTOLDUS
EXECUTIVE ADMINISTRATOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
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March 20, 2026

The Honorable Representative Gregg Takayama, Chair
House Committee on Health
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Chair Takayama and Committee Members:

SUBJECT: SB2271 SD1 Relating to Hospital Licensing

The Hawai'i State Council on Developmental Disabilities (DDC) submits testimony **in SUPPORT of SB2271 SD1** which, requires the Department of Health to adopt rules to allow hospitals to demonstrate compliance with all licensing inspections required by the State through accreditation or certification by any accreditation or certification organization recognized by the Centers for Medicare and Medicaid Services.

The Hawai'i State Council on Developmental Disabilities supports this measure because individuals with intellectual and developmental disabilities rely heavily on hospital systems for acute care, behavioral health stabilization, and complex discharge coordination. Allowing hospitals to demonstrate compliance through any CMS-recognized accreditation organization reduces administrative burden while maintaining federal quality and safety standards. This alignment helps sustain hospital capacity, particularly in rural and neighbor island communities, which is essential for ensuring access to care for people with disabilities.

The Council also supports the continued authority of the Department of Health to investigate complaints and conduct validation surveys to protect patient safety and rights.

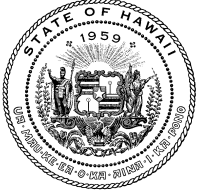
For these reasons, the Hawai'i State Council on Developmental Disabilities **supports SB2271 SD1**.

Thank you for the opportunity to submit testimony.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, MD
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

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March 18, 2026

TO: HOUSE COMMITTEE ON HEALTH
Representative Gregg Takayama, Chair
Representative Sue L. Keohokapu-Lee Loy, Vice Chair
Honorable Members

FROM: John C. (Jack) Lewin, MD, Administrator, SHPDA, and Sr. Advisor to
Governor Josh Green, MD on Healthcare Innovation

RE: SB 2271-SD1 -- RELATING TO HOSPITAL LICENSING

HEARING: Friday, March 20, 2026 @ 09:30 am; Conference Room 329

POSITION: SUPPORT with COMMENTS

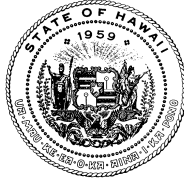
Testimony:

SHPDA supports this bill which requires the Department of Health to adopt rules to allow hospitals to demonstrate compliance with all licensing inspections required by the State through accreditation or certification by any accreditation organization recognized by the Centers for Medicare and Medicaid Services (CMS). This is a long-overdue means of administrative simplification for the state without adversely impacting patient safety or quality.

Thank you for hearing SB 2271-SD1.

Mahalo for the opportunity to testify.

■ -- Jack Lewin, MD, Administrator, SHPDA



STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. Box 3378
Honolulu, HI 96801-3378
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**Testimony in SUPPORT of SB2271, SD1
RELATED TO HOSPITAL LICENSING.**

REPRESENTATIVE GREGG TAKAYAMA, CHAIR
HOUSE COMMITTEE ON HEALTH

Hearing Date and Time: FRI., March 20, 2026 @ 9:30 am

Room Number: 329

- 1 **Fiscal Implications:** No impact to the Department of Health (Department).
- 2 **Department Position:** The Department supports this measure and offers comments.
- 3 **Department Testimony:** The Office of Health Care Assurance (OHCA) provides the following
- 4 testimony on behalf of the Department. OHCA supports this measure which would allow
- 5 hospitals to demonstrate compliance with all licensing inspections required by the State
- 6 through accreditation or certification by any accreditation or certification organization
- 7 approved by the Centers for Medicare and Medicaid Services (CMS).
- 8 **Offered Amendments:** None
- 9 Thank you for the opportunity to testify on this measure.



March 20, 2026 at 9:30 am
Conference Room 329

House Committee on Health

To: Chair Gregg Takayama
Vice Chair Sue L. Keohokapu-Lee Loy

From: Paige Heckathorn Choy
Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
SB 2271 SD 1, Relating to Hospital Licensing

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to submit testimony in **support** of this measure, which seeks to modernize how hospitals are licensed in Hawaii by allowing facilities to use any accrediting organization recognized by the Centers for Medicare and Medicaid Services (CMS) to meet state licensure standards.

Currently, Hawaii law allows the Department of Health (DOH) to only accept accreditation by The Joint Commission to demonstrate compliance with state licensing inspections. This bill would update Hawaii statute to allow DOH to recognize any accrediting organization approved by the Centers for Medicare and Medicaid Services (CMS) to meet state licensure standards.

As background—hospitals must be licensed and certified by both CMS and the state licensing entity—in this case, the Office of Healthcare Assurance (OHCA), which is housed under DOH. It is very important for hospitals to receive these accreditations and certifications so that they can participate in the Medicaid and Medicare programs. On the federal level, CMS uses accrediting organizations to survey and certify hospitals on their behalf. If a hospital passes a survey by an accrediting organization, they are “deemed” to be in compliance with federal Medicare Conditions of Participation (CoPs) and can participate in the program.

States, including Hawaii, often use a hospital's “deemed status” by CMS as evidence of compliance with state licensing standards. In practice, this means that if a hospital receives

approval by an accrediting organization and thus deemed to meet Medicare CoPs, Hawaii will accept that accreditation in lieu of a separate state inspection. This practice avoids duplicative surveys while still ensuring hospitals meet stringent quality and safety requirements under both federal and state law.

There are only a handful of accrediting organizations that CMS has approved to carry out this task, and they undergo thorough vetting and scrutiny at least every six years to continue this important task. For many decades, the only accrediting organization approved by CMS to certify hospitals was The Joint Commission (TJC). However, there are now several options that hospitals can choose from to achieve certification and participation in crucial federal programs.

Unfortunately, Hawaii state law was written many decades ago and it has not been revised to reflect the broader range of accreditation options that hospitals enjoy today. Updating Hawaii law to recognize any CMS-approved hospital accrediting organization is a common-sense modernization that maintains high standards, strengthens alignment with federal oversight, and uses state resources more effectively while preserving OHCA's ability to respond to complaints and patient safety concerns.

Thank you for your consideration of this important measure.