



Committee on Finance
Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice-Chair

Friday, February 27, 2009

2:00 PM

Hawaii State Capitol
Conference Room 329

Testimony Opposing HB 1231 - Relating to Hawaii Health Systems Corporation
Establishes a transitional management team within the Hawaii Health Systems Corporation to
planning for necessary restructuring to ensure the strength of the state's health care safety net.

On behalf of the West Hawaii Region of HHSC, thank you for the opportunity to provide testimony concerning HB 1231.

Act 290 (2007) provides for a process for regular alignment of corporate functions consistent with the needs of the five regions. It also provides for the assumption of custodial care of all financial assets and real property by the regional system boards.

The five HHSC regions completed their first review of the HHSC corporate functions and services in late 2008. I chaired this group, which had regional board-appointed executive-level representation from each of the five regions. We completed a robust and credible analysis. Our report was submitted to corporate leadership, which, in turn developed a responsive action plan that was accepted by the five regions' representatives.

Considerable effort has been expended by the region and corporation staffs to transfer custodial control. In fact, the West Hawaii Region recently submitted a request to assume full custodial control of all assets, duties and powers as provided by Act 290.

I respectfully request that HB1231 be deferred this legislative session and priority given to our six primary HHSC bills that have been introduced in the 2009 Legislative Session. Please, allow the regions and the corporation more time to complete the implementation of Act 290.

Respectfully submitted,

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