

STAND. COM. REP. NO. 1105

Honolulu, Hawaii

MAR 27 2015

RE: H.B. No. 1075
H.D. 2
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committees on Health and Commerce and Consumer Protection, to which was referred H.B. No. 1075, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the Maui Regional System of the Hawaii Health Systems Corporation to enter into an agreement with a private entity to transition one or more of its facilities into a new private Hawaii nonprofit corporation.

Your Committees received testimony in support of this measure from the Department of Budget and Finance; Hawaii Health Systems Corporation; Hawaii Health Systems Corporate Board; Hawaii Health Systems Corporation, Maui Region; Hawaii Health Systems Corporation, Kauai Regional Board; Maui Chamber of Commerce; Chamber of Commerce Hawaii; Healthcare Association of Hawaii; Maui Regional System Board; Maui Economic Development Board; Maui Hotel & Lodging Association; Goodfellow Bros. Inc.; Maui County Medical Society Board of Governors; Hawai'i Lodging and Tourism Association; and twenty-nine individuals. Your Committees received testimony in opposition to this measure from the Hawaii Government Employees Association, Hawaii Primary Care Association, United Public Workers, Democratic Party of Hawaii Labor Caucus, Pacific Cancer Institute of Maui, and numerous individuals. Your Committees received comments on this measure from the Department



of the Attorney General, Office of Hawaiian Affairs, ILWU Local 142, and four individuals.

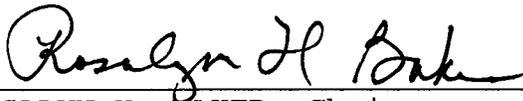
Your Committees find that health care is a very specialized, complex, and rapidly changing business where maintaining revenue is difficult and increasing revenue is particularly challenging. Hawaii Health Systems Corporation facilities can benefit from partners who can accelerate access to investments in areas such as health information technology, physician networks, quality improvement, supply chain management, and expertise in revenue cycle maximization.

Your Committees request that your Committees on Judiciary and Labor and Ways and Means review any monetary or labor agreement matters that may need to be further clarified.

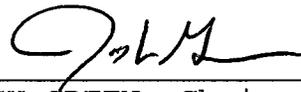
Your Committees have amended this measure by making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1075, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1075, H.D. 2, S.D. 1, and be referred to the Committees on Judiciary and Labor and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Health and
Commerce and Consumer
Protection,



ROSALYN H. BAKER, Chair



JOSH GREEN, Chair



