A BILL FOR AN ACT

RELATING TO THE HAWAII HEALTH SYSTEMS CORPORATION.

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

SECTION 1. Section 323F-2, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The corporate organization shall be divided into [five] four regional systems, as follows:

(1) The Oahu regional health care system;
(2) The Kauai regional health care system;
(3) The Maui regional health care system;
(4) The [east] East Hawaii regional health care system, comprising the Puna district, north Hilo district, south Hilo district, Hamakua district, and Kau district; and
(5) The [west] West Hawaii regional health care system, comprising the north Kohala district, south Kohala district, north Kona district, and south Kona district,

and shall be identified as regional systems I, II, III, and IV, respectively."
SECTION 2. Section 323F-3, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) The members of the corporation board shall be appointed as follows:

(1) The director of health as an ex officio, voting member;

(2) The [five] four regional chief executive officers as ex officio, nonvoting members;

(3) Three members who reside in the county of Maui, two of whom shall be appointed by the Maui regional system board and one of whom shall be appointed by the governor, all of whom shall serve as voting members;

(4) Two members who reside in the eastern section of the county of Hawaii, one of whom shall be appointed by the East Hawaii regional system board and one of whom shall be appointed by the governor, both of whom shall serve as voting members;

(5) Two members who reside in the western section of the county of Hawaii, one of whom shall be appointed by the West Hawaii regional system board and one of whom
shall be appointed by the governor, both of whom shall serve as voting members;

(6) Two members who reside on the island of Kauai, one of whom shall be appointed by the Kauai regional system board and one of whom shall be appointed by the governor, both of whom shall serve as voting members;

(7) Two members who reside on the island of Oahu, [one of whom shall be appointed by the Oahu regional system board and one of whom] who shall be appointed by the governor, both of whom shall serve as voting members;

and

(8) One member who shall be appointed by the governor and serve as an at-large voting member.

The appointed board members who reside in the county of Maui, eastern section of the county of Hawaii, western section of the county of Hawaii, on the island of Kauai, and on the island of Oahu shall each serve for a term of four years; provided that the terms of the initial appointments of the members who are appointed by their respective regional system boards shall be as follows: one of the initial members from the county of Maui shall be appointed to serve a term of two years
and the other member shall be appointed to serve a term of four years; the initial member from East Hawaii shall be appointed to serve a term of two years; the initial member from West Hawaii shall be appointed to serve a term of four years; and the initial member from the island of Kauai shall be appointed to serve a term of two years; [and the initial member from the island of Oahu shall be appointed to serve a term of four years] and provided further that the terms of the initial appointments of the members who are appointed by the governor shall be four years. The at-large member appointed by the governor shall serve a term of two years.

Any vacancy shall be filled in the same manner provided for the original appointments. The corporation board shall elect its own chair from among its members. Appointments to the corporation board shall be as representative as possible of the system's stakeholders as outlined in this subsection. The board member appointments shall strive to create a board that includes expertise in the fields of medicine, finance, healthcare administration, government affairs, human resources, and law."

SECTION 3. Section 323F-3.5, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:
"(a) There is hereby established a regional system board of directors to govern each of the [five] four regional systems specified in section 323F-2[, no later than January 1, 2008]. The regional system boards of directors shall carry out the duties and responsibilities as set forth in this chapter and as further delegated by the corporation."

SECTION 4. All rights, powers, functions, and duties of the Oahu regional health care system are transferred to the board of directors of the Hawaii health systems corporation. All employees who occupy civil service positions and whose functions are transferred to the board of directors of the Hawaii health systems corporation by this Act shall retain their civil service status, whether permanent or temporary. Employees shall be transferred without loss of salary, seniority (except as prescribed by applicable collective bargaining agreements), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws and this Act; provided that the employees possess the minimum qualifications and public employment requirements for the class or position to which transferred or appointed, as applicable;
provided further that subsequent changes in status may be made pursuant to applicable civil service and compensation laws.

Any employee who, prior to this Act, is exempt from civil service and is transferred as a consequence of this Act may retain the employee's exempt status, but shall not be appointed to a civil service position as a consequence of this Act. An exempt employee who is transferred by this Act shall not suffer any loss of prior service credit, vacation or sick leave credits previously earned, or other employee benefits or privileges as a consequence of this Act; provided that the employee possesses legal and public employment requirements for the position to which transferred or appointed, as applicable; provided further that subsequent changes in status may be made pursuant to applicable employment and compensation laws. The chief executive officer of the Hawaii health systems corporation may prescribe the duties and qualifications of these employees and fix their salaries without regard to chapter 76, Hawaii Revised Statutes.

SECTION 5. All appropriations, records, equipment, machines, files, supplies, contracts, books, papers, documents, maps, and other personal property heretofore made, used,
acquired, or held by the Oahu regional health care system
relating to the functions transferred to the board of directors
of the Hawaii health systems corporation shall be transferred
with the functions to which they relate.

SECTION 6. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect upon its approval.

INTRODUCED BY:  

JAN 24 2019
Report Title:
HHSC; Oahu Region; Consolidation

Description:
Integrates the Oahu regional health care system into the Hawaii Health Systems Corporation board.

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