

STAND. COM. REP. NO.

1592

Honolulu, Hawaii

APR 09 2021

RE: H.B. No. 224  
H.D. 1  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-First State Legislature  
Regular Session of 2021  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 224, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY,"

begs leave to report as follows:

The purpose and intent of this measure is to amend certain statutory provisions relating to the State Health Planning and Development Agency.

More specifically, the measure:

- (1) Makes the Department of Health alternatively responsible for the Agency's duties;
- (2) Requires the Agency or Department of Health to update the state health services and facilities plan every five years;
- (3) Transfers moneys in excess of \$2,000,000 in the state health planning and development special fund to the general fund at the end of each fiscal year;
- (4) Imposes an administrative penalty of an unspecified sum for each seven-day period during which a person violates



or fails to act in compliance with an approved certificate of need granted by the Agency;

- (5) Exempts psychiatric services, special treatment facilities, and chronic renal dialysis services from the certificate of need requirements; and
- (6) Appropriates unspecified sums of moneys from the state health planning and development special fund to fund positions within the Agency.

Your Committee received written comments in support of this measure from the Department of Health, Institute for Justice, The Queen's Health Systems, Ohana Pacific Management Company, Hawaii Pacific Health, Satellite Healthcare, and U.S. Renal Care.

Your Committee received written comments in opposition to this measure from Liberty Dialysis Hawaii and eight individuals.

Your Committee received comments on this measure from the State Health Planning and Development Agency, Hawaii Substance Abuse Coalition, Hawaii Medical Service Association, Healthcare Association of Hawaii, and Hawaii Government Employees Association.

Your Committee recognizes that the Governor has proposed to minimize costs by transferring the State Health Planning and Development Agency's role of administering the Certificate of Need program to the Department of Health. However, your Committee believes that alternative means should be implemented to meet the Governor's cost-saving goals because the Certificate of Need program, as administered by the Agency, is essential to ensure access to health care and the continued viability of the health care system.

Your Committee has amended this measure by:

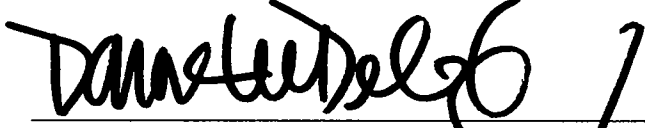
- (1) Setting out specific definitions of the terms "psychiatric services", "special treatment facility", and "chronic renal dialysis services" for the purposes of exemptions from the certificate of need process; and



- (2) Specifying that the exemption from the certificate of need process for chronic renal dialysis services applies to those services provided in Oahu regional government hospitals.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 224, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 224, H.D. 1, S.D. 2.


Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,

  
DONOVAN M. DELA CRUZ, Chair



The Senate  
 Thirty-First Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 224, HD1, SD1</i>	<i>HTH, WAM</i>	<i>4/6/21</i>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani	X			
INOUYE, Lorraine R.	X			
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.				X
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.				X
WAKAI, Glenn	X			
FEVELLA, Kurt		X		
<b>TOTAL</b>	<b>8</b>	<b>1</b>		<b>2</b>
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

\*Only one measure per Record of Votes