

STAND. COM. REP. NO.

909

Honolulu, Hawaii

MAR 05 2021

RE: S.B. No. 628
S.D. 2

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

Sir:

Your Committees on Commerce and Consumer Protection and Ways and Means, to which was referred S.B. No. 628, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE TRANSITION OF THE OAHU REGIONAL HEALTH CARE SYSTEM FROM THE HAWAII HEALTH SYSTEMS CORPORATION INTO THE DEPARTMENT OF HEALTH,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Commence the transfer of the Oahu Regional Health Care System in its entirety from the Hawaii Health Systems Corporation to the Department of Health, beginning with the transfer of the Oahu Regional Health Care System's budget into the Department of Health;
- (2) Enable the Oahu Regional Health Care System, Department of Health, Hawaii Health Systems Corporation, and other state agencies to manage and implement the processes required to effectuate the completion of the transition;
- (3) Provide certain protections and exemptions for the Oahu Regional Health Care System and the Inpatient Services Division of the Department of Health; and



- (4) Prohibit the substantial reduction or elimination of direct patient care at any Oahu Regional Health Care System facility unless certain conditions are met.

Your Committees received testimony in support of this measure from the Department of Health, Oahu Region Hawaii Health Systems Corporation, University of Hawai'i System, and The Queen's Health Systems. Your Committees received testimony in opposition to this measure from the State Procurement Office. Your Committees received comments on this measure from the Department of the Attorney General and the Hawaii Government Employees Association.

Your Committees find that the Oahu Region of the Hawaii Health System Corporation (Oahu Region) almost exclusively provides services for those who are unable to obtain much needed care in private facilities and rely on Medicaid to fund their care. The Oahu Region also provides care for incarcerated inmates released for compassionate care, psychiatric patients from the Hawaii State Hospital who have significant long-term care needs, and operates more as a necessary social service rather than a health care business. Oahu alone is projected to need an additional one thousand one hundred long-term care beds in the next five to ten years, and because revenues cannot be easily generated to provide these vital services, the Oahu Region should be transitioned from the Hawaii Health System Corporation into the Department of Health. This measure will help alleviate pressure on hospital emergency departments and acute care hospital facilities and expand access to beds and services for patients suffering from mental health and substance abuse disorders.

Your Committees have amended this measure by:

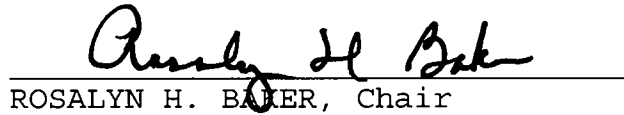
- (1) Clarifying that an employee, except in the instance of discipline, shall be entitled to remain employed in the employee's current position for a period of no less than one year after the transition of the Oahu Region Health Care System into the Department of Health is complete; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 628, S.D. 1, as amended herein, and recommend that it pass Third Reading in the form attached hereto as S.B. No. 628, S.D. 2.

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



DONOVAN M. DELA CRUZ, Chair


ROSALYN H. BAKER, 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:		
SB 628, SD 1	HTH, CPN/WAM	3/4/21		
<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			
TOTAL	10			1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes