

COUNCIL OF THE COUNTY OF MAUI
POLICY AND INTERGOVERNMENTAL
AFFAIRS COMMITTEE

September 18, 2015

Committee
Report No. _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Policy and Intergovernmental Affairs Committee, having met on August 31, 2015, makes reference to County Communication 15-221, from Councilmember Elle Cochran, transmitting a proposed resolution entitled "URGING THE BOARD OF DIRECTORS FOR THE MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION TO REQUIRE TRANSPARENCY REGARDING RATE SETTING FOR PATIENT SERVICES."

The purpose of the proposed resolution is to urge the Board of Directors for the Maui Region of Hawaii Health Systems Corporation to require transparency regarding rate setting for patient services from any entity selected for a partnership authorized under Act 103 (2015).

Your Committee notes the Council adopted Resolution 15-46 urging the State Legislature to pass legislation facilitating public-private partnerships for Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital.

Your Committee further notes Act 182 (2009), codified at Hawaii Revised Statutes Section 323F-7.6, allows for public-private partnerships. Act 103 (2015) provides specific authority for establishing public-private partnerships in the Maui Region.

Your Committee noted strong support for the proposed resolution, stating that while the pending partnership is not within the Council's purview, the Council should support transparency to ensure affordable healthcare for the residents of the County.

COUNCIL OF THE COUNTY OF MAUI

POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE

Page 2

**Committee
Report No. _____**

Your Committee requested the proposed resolution be revised to incorporate nonsubstantive revisions.

Your Committee voted 9-0 to recommend adoption of the revised proposed resolution and filing of the communication. Committee Chair Victorino, Vice-Chair Couch, and members Baisa, Carroll, Cochran, Crivello, Guzman, Hokama, and White voted "aye."

Your Committee is in receipt of a revised proposed resolution incorporating nonsubstantive revisions.

Your Policy and Intergovernmental Affairs Committee RECOMMENDS the following:

1. That Resolution _____, as revised herein and attached hereto, entitled "URGING THE BOARD OF DIRECTORS FOR THE MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION TO REQUIRE TRANSPARENCY REGARDING RATE SETTING FOR PATIENT SERVICES," be ADOPTED; and
2. That County Communication 15-221 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



MICHAEL P. VICTORINO, Chair

Resolution

No. _____

URGING THE BOARD OF DIRECTORS FOR THE MAUI REGION OF HAWAII HEALTH SYSTEMS CORPORATION TO REQUIRE TRANSPARENCY REGARDING RATE SETTING FOR PATIENT SERVICES

WHEREAS, Governor David Ige signed Act 103 (2015) into law on June 10, 2015, allowing the Board of Directors for the Maui Region facilities of the Hawaii Health Systems Corporation (“HHSC”), including Maui Memorial Medical Center, Kula Hospital, and Lanai Community Hospital, to select a private entity as partner for the management or operation of one or more facilities, with assistance from the Governor and the Maui Region Chief Executive Officer; and

WHEREAS, the Maui County Council by a vote of 6-0 adopted Resolution 15-46, entitled “URGING THE STATE LEGISLATURE AND GOVERNOR TO SUPPORT LEGISLATION FACILITATING PUBLIC-PRIVATE COLLABORATION FOR MAUI COUNTY’S PUBLIC HOSPITALS AND HEALTH CARE,” on April 7, 2015; and

WHEREAS, Hawai`i Pacific Health and Kaiser Foundation Hospitals are the two entities that have expressed interest in partnering with HHSC to manage or operate one or more of the Maui Region facilities; and

WHEREAS, strengthening healthcare services is a core value for Maui County’s residents, as reflected in the 2030 General Plan, which specifically references broadening access to healthcare services and recognizes the importance of expanding and improving local hospitals; and

WHEREAS, more than 11,000 inpatients and more than 45,000 emergency room patients receive care at the Maui Region facilities each year; and

WHEREAS, improved patient care, including expansion of primary and specialty care services, is an important goal of any partnership with the Maui Region; and

Resolution No. _____

WHEREAS, improved patient care must also include affordability and fairness in rates for patient services; and

WHEREAS, transparency regarding rate setting for patient services can help ensure affordability and fairness; and

WHEREAS, the selection of any entity as a partner for the Maui Region should be based on a requirement for transparency regarding rate setting for patient services; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That the Council reiterates its support for public-private collaboration for Maui County's public hospitals and health care, as expressed in Resolution 15-46;
2. That it urges the Board of Directors for the Maui Region of Hawaii Health Systems Corporation to require transparency regarding rate setting for patient services from any entity selected for a partnership authorized under Act 103 (2015); and
3. That certified copies of this resolution be transmitted to the Honorable David Ige, Governor, State of Hawaii; Wesley P. Lo, CEO, Maui Region Hawaii Health Systems Corporation; Avery Chumbley, Chairperson, Board of Directors, Maui Region, Hawaii Health Systems Corporation; Raymond P. Vara, Jr., President and CEO, Hawai'i Pacific Health; and Bernard J. Tyson, President and CEO, Kaiser Foundation Hospitals.