

Money Matters

Headway in House on re-examining CON

THE CHAMBER VIEW

by Pamela Tumpap



With the rejection of Malulani Health & Medical Center's certificate-of-need (CON) application, many rallied

this legislative session to make changes to the antiquated CON process, with several bills introduced.

House bill 1703 was introduced with Reps. Bob Nakasone and Joe Bertram III. This bill sought to repeal the statewide health coordinating council and require appropriate subarea councils to assume those duties. It also would have subjected to the governor's approval all decisions to approve or deny issue of a CON and required performance bonds to ensure implementation of CONs. This bill passed first reading and was referred to the Finance and Health committees. After review, the Health Committee recommended that the measure be deferred.

Other bills were also in play. The governor, through her legislative package and House bill 1350, introduced by Rep. Calvin Say, proposed amending the CON requirements to:

- Reverse the order in which the county and state councils hold hearings and make recommendations on CON applications; and provide that, where the recommendations of the state council and the county council conflict, the State Health Planning and Development Agency administrator shall give greater weight to the recommendation of the county council.

- Require that a hearing on a request for reconsideration of a denial of a CON be held on the island where the proposed medical facility is to be built or the medical activity is to occur.

- Specify and narrow the types of medical facilities and medical activities that require a CON.

Another bill, House bill 1067 — introduced by Reps. Angus McKelvey, Bertram, Tom Brower, Mele Carroll, Cindy Evans, Faye Hanohano, Robert Herkes, Joey Manahan, John Mizuno, Tommy Waters, Kyle Yamashita and Nakasone — seeks to establish a temporary blue-ribbon panel to study the CON process in other states and recommend changes or the abolishment of Hawaii's CON process.

The bill would establish a 12-member certificate-of-need study blue-ribbon panel to include the director of health and 11 members of the public, appointed as follows:

- Three people shall be ap-

pointed by the president of the Senate, of which one shall be a licensed health care professional; one shall be a representative of a licensed health care facility; and one shall have knowledge about health care financing.

- Three people shall be appointed by the speaker of the House of Representatives, of which one shall be a licensed health care professional; one shall be a representative of a licensed health care facility; and one shall have knowledge about health care financing.

- Five people shall be appointed by the governor, of which one shall be a licensed health care professional; one shall be a representative of a licensed health care facility; and three shall have knowledge about health care financing.

If passed, the panel would conduct a comprehensive study to examine:

- CON processes in other states that have been modified or eliminated, and the effects of the modifications or elimination.

- What other states are doing to reform the CON process.

- The impact that modification or elimination of the CON process may have on the state with regard to access to care by residents; quality of care; services that are delivered on a statewide or regional basis; and funding, including programs

such as Medicaid.

The panel would submit a report to the Legislature no later than 20 days prior to the convening of the regular session of 2008. Included in the report are to be recommendations, and suggested legislation, if any, on:

- The panel's findings with regard to other states' experiences with the CON process.

- The future of Hawaii's CON process.

- Which health care services or facilities, if any, should continue to be subject to the CON requirements or other state regulation.

- Which services or facilities should be exempt from state regulation.

This bill was referred to the Health, Consumer Protection and Commerce and Finance committees. It was heard by the Health and Consumer Protection and Commerce committees Feb. 9.

At the joint committee hearing, Rep. McKelvey recommended that his House bill 1067 be amended to include legislation recommended by Gov. Linda Lingle (outlined in House bill 1350) to empower counties with decision-making authority by giving greater weight to the recommendations of a county-level review panel on applications for new health care facilities. The measure passed unanimously as amended Friday.

This bill is now at the Finance

Committee, and prospects are looking good. We applaud the efforts of the legislators involved. This is a great example of legislators hearing community concerns and working together to redress old systems and meet our residents' needs. The Maui Chamber of Commerce is pleased with the favorable direction of this bill. We will continue to provide testimony and efforts to encourage repeal or revision of the CON process.

■ *Pamela Tumpap is president of the Maui Chamber of Commerce.*

at Hawaii Credit Cou Service, said he recommends that consumers use their credit cards to pay for services that can be paid off in full within a month.

Consumers should make sure that ampings — not credit cards — are their financial nets, Burkholder said.

"I truly believe in an all-time low as far as consumer savings goes," said. "We have no net and we think of it as a safety net. It is not a liability, and the net should be repaid. It can't be repaid. It can't be repaid."