

# Hawaii State Association of Counties

Counties of Kauai, Maui and Hawaii, City & County of Honolulu



MINUTES  
HSAC EXECUTIVE COMMITTEE MEETING  
February 4, 2013  
Hawaii County Council Chamber  
Hilo, Hawaii 96720

I. CALL TO ORDER

The HSAC Executive Committee was called to order by President Mel Rapozo at 10:37 a.m. The following members comprising a quorum were present:

County of Kauai: President Mel Rapozo  
County of Hawaii: Vice President Dennis "Fresh" Onishi  
City and County of Honolulu: Secretary Stanley Chang  
County of Maui: Alternate G. Riki Hokama  
Others Present: Hawaii Councilmember Valerie Poindexter

Hawaii County staff Peter Sur  
Honolulu City and County staff Steve Uyeno  
Honolulu City and County staff Denisse Gee  
Kauai County staff Ashley Bunda  
Maui County staff Kirsten Hamman

Howard Ainsley, Hawaii Health Systems Corporation (HHSC)  
Kristine McCoy, HHSC  
Boyd Murayama, HHSC  
Kaloa Robinson, HHSC  
Nancy Cook Lauer, West Hawaii Today

II. APPROVAL OF AGENDA

The Committee approved the agenda.



### III. MINUTES

The Committee approved the minutes of the January 15, 2013, Executive Committee meeting.

### IV. REPORTS

#### A. Treasurer's Reports

The following item was deferred by the Executive Committee:

1. Treasurer's Report for January 2013, as submitted by the HSAC Treasurer.

#### B. County Reports

1. Maui County Report. Alternate Hokama reported that the Mayor must submit a final budget to the Council by March 25. He further reported that it is anticipated that the Mayor's budget will include new funding to build a new County complex in Wailuku. He concluded by stating that the Council is taking a conservative approach to County revenue projections.
2. Hawaii County Report. Vice President Onishi reported that a key measure the Council is deliberating upon deals with agritourism. He explained that Bill 25 would allow small farmers and ranchers to use their property for tours, classes, and other tourism-related activities. He concluded by stating that the Council is considering the impact of Bill 25 on the surrounding communities in terms of increased noise and traffic.
3. City and County of Honolulu Report. Secretary Chang reported that the Council met last week during which a number of measures were moved forward, including: 1) Resolution 13-2 which approved the building of a 350-foot high building on Kuhio Avenue, Waikiki; and 2) Resolution 12-325 which related to the budget proviso for the Sand Island Wastewater Treatment Plant Solids Handling Project, commonly known as "Synagro." He concluded by informing the Committee that a number of the Mayor's cabinet came before the Council for confirmation, including the new Managing Director.
4. Kauai County Report. President Rapozo reported that the Council will begin budget deliberations on March 16. He further reported that the Mayor has introduced a measure that will further water down existing shoreline setback protection ordinances. He

speculated that this measure probably stems from developers. He concluded by informing the Committee that the historic Coco Palms Resort located in Wailua, which has been vacant for 20 years since Hurricane Iniki, is under consideration to be converted into a historic public site.

NACo Report. Alternate Hokama reported that NACo Executive Committee and NACo lobbyists are closely tracking the following issues being deliberated upon by Congress, as follows: 1) Tax exempt municipal; and 2) Immigration Reform. He further reported that Counties should expect to see significant reductions in the following areas: 1) Community Block Development Grant Program (CDBG); 2) Temporary Assistance for Needy Families Program (TANF); and 3) Section 8 vouchers.

President Rapozo requested Alternate Hokama to lead the state of Hawaii's county delegation at the next NACo conference to be held on March 4 – 6 in Washington DC, in his capacity as the 2nd Vice President of NACo.

- C. WIR Report. Alternate Hokama reported that next WIR meeting will be held on May 22 – 24 in Sedona, Arizona.

## V. UNFINISHED BUSINESS

- A. Discussion regarding the hiring of an HSAC Executive Director, modification to membership structure, and corporate sponsorship.

President Rapozo queried whether the current Committee members had any continued interest in hiring an HSAC Executive Director (ED).

Secretary Chang and Vice President Onishi expressed interest in continuing to discuss and contemplate this issue.

President Rapozo expressed concern regarding identifying a revenue stream to fund an ED position long term. He cautioned that it may not be in HSAC's best interest to accept corporate sponsorship as the funding source for the ED position.

Alternate Hokama stated that Maui County would be more interested in hiring a lobbyist to represent HSAC's interests at the state Legislature, rather than an ED position.

This item was deferred to the April Committee meeting.

B. Discussion regarding the Hawaii Health Systems Corporation's Primary Care Training Program.

Howard Ainsley, HHSC, stated that the HHSC Primary Care Training Program (Program) is an effective means of increasing the number of primary care physicians and clinicians practicing in Hawaii. He stated that he and his colleagues will be providing the Committee with an overview of the Program and its potential to have a tangible positive impact upon the state of the healthcare in Hawaii.

Kristine McCoy, HHSC, informed the Committee that at the present time, the state of Hawaii has only 70 percent of the primary care physicians (PCP) needed to adequately serve the current population. According to the 2011 workforce study conducted by the University of Hawaii (UH) John A. Burns School of Medicine (JABSOM), Hawaii's projected PCP shortage will reach a deficit of 1,630 PCPs in year 2020. She also informed the Committee that in five years, one in three currently practicing PCPs will not be doing so in Hawaii County, based on a 2012 UH Hilo study on Workforce Recruitment and Retention. Furthermore, she stated that the state cannot rely on recruiting PCPs from the continental United States as it has been projected that the entire nation will experience a deficit of 52,000 PCPs by 2025. She explained to the Committee that the Program is a key solution to address both the present need for PCPs and the projected severe deficit of PCPs over the next decade in the state of Hawaii.

She informed the Committee that the Program was created in 2006 and housed at the Hilo Medical Center in conjunction with JABSOM using \$2M in seed money. In FY 2009, the state Legislature appropriated an additional \$4M to the Program, however, when the economy down turned, Governor Linda Lingle did not release this \$4M legislative appropriation.

She addressed the question that arose in a prior Committee meeting and also at the state Legislature regarding why the Program should be located in Hawaii County. She responded that 64% of JABSOM's graduates who train on Oahu remain in Oahu to practice medicine while 19% move to the continental U.S. and only 17% move to Hawaii and Maui Counties. In light of those statistics, she informed the Committee that the Program addresses the on-going shortage of PCPs who practice in rural settings. She stated that statistics show that up to 50 percent of health care professionals who train in a rural setting remain in those rural communities after they complete training. She stated that the Program seeks to provide Hawaii, particularly Hawaii's rural communities, with "homegrown" primary care health care professionals. She explained that it is envisioned that the Program will have two participant phases. Program participants will train

on the Big Island during Phase One and then train either on the islands of Kauai or Maui during Phase Two.

She concluded by stating that HHSC seeks Committee support for SB664, SB1220, and HB417 which appropriate \$2.8 million to the Program in FY 2014 and FY 2015. Specifically, she respectfully requested that the Committee adopt a resolution requesting the state Legislature to pass SB664, SB1220, and HB417. Additionally, she asked that each Committee member introduce a resolution in their respective Councils to urge the state Legislature to pass these three appropriation measures.

In response to a query by Vice President Onishi, she informed the Committee that it is envisioned that Program participants will spend a portion of their training either on Kauai or Maui County, which will hopefully persuade a percentage of those participants to return to those counties to practice medicine. Mr. Ainsley added that HHSC has been working with administrators in Kauai and Maui Counties to lay the groundwork to establish the Program in Hawaii County with the determined intent to expand the Program quickly to the remaining two rural Counties.

In response to a query by President Rapozo, Ms. McCoy informed the Committee that there is a complementary Senate bill sponsored by Senator Josh Green which will appropriate monies specifically earmarked to repay medical school loans for Program participants who then commit to practice medicine in Hawaii, Kauai, or Maui County. She stated that the average medical school debt carried by a graduating U.S. medical student is \$150K. She further responded by informing the Committee that participant selection protocol has been developed and continues to be refined to choose Program participants who express an interest in practicing medicine in rural settings, have "ties" to the state of Hawaii, or have a long-term interest in residing in the state of Hawaii.

In response to a query by Alternate Hokama, Boyd Murayama, HHSC, responded that the two individual components of the Program, specifically, pharmacy and nursing training, would cost \$500K each for a total of \$1M. Mr. Murayama affirmed that the Program could be customized for each County based on regional needs.

This item was received and filed.

## VI. NEW BUSINESS

- A. Communication from Maui County Clerk Jeffrey T. Kuwada regarding the appointment of Councilmember Michael P. Victorino as its HSAC representative and nomination of Councilmember Victorino as a NACo Board of Director.

This item was received and filed.

- B. Communication from City and County of Honolulu Clerk Bernice K. N. Mau regarding the 2013 HSAC legislative package as adopted by the Honolulu City Council.

This item was received and filed.

- C. Discuss and approve the draft "HSAC Audited Financial Statements (with Independent Auditors' Report) for the Years Ended June 30, 2012 and 2011."

Alternate Hokama summarized the main audit recommendations made by the independent Auditor, Carbonaro DeMichele, CPAs (Carbonaro), as follows: 1) Maintain one set of financial data with an online Quickbooks account; and 2) Maintain one bank account.

He requested the Committee approve an additional \$1,250 Carbonaro invoice stemming from their reported extra billable hours required to compile the three different sets of financial records. In response to a query, he informed the Committee that Treasurer Victorino will submit a budget amendment for the Committee's approval next month.

President Rapozo recommended that the Committee adopt Carbonaro's recommendation and open sub-accounts under the main HSAC bank account for the purposes of facilitating the HSAC annual conference.

This item was approved.

- D. Communication from Hawaii County Clerk Stewart Maeda regarding the nomination of Councilmember Dennis "Fresh" Onishi as a WIR Board of Director.

This item was received and filed.

VII. ANNOUNCEMENTS

A. Schedule next meeting.

The next Executive Committee meeting is scheduled for March 19, 2013,  
at Honolulu Hale.

B. Other Announcements.

There were no other announcements.

VIII. ADJOURNMENT

The meeting adjourned at 12:07 p.m.

Very truly yours,

A handwritten signature in black ink, appearing to read 'S. Chang', written in a cursive style.

STANLEY CHANG  
Secretary  
Hawaii State Association of Counties