REPORT TO THE TWENTY-FIFTH LEGISLATURE
STATE OF HAWAII
2009

PURSUANT TO SECTION 321-1.4, HAWAII REVISED STATUTES, REQUESTING THE DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT THAT OUTLINES THE STATUS OF THE OFFICE OF HEALTH CARE ASSURANCE SPECIAL FUND, INCLUDING THE AMOUNT OF MONIES DEPOSITED INTO AND EXPENDED FROM THE FUND, AND SOURCES OF RECEIPTS AND USES OF EXPENDITURES

PREPARED BY:
STATE OF HAWAII
DEPARTMENT OF HEALTH
OCTOBER 2008

EXECUTIVE SUMMARY

In accordance with Section 321-1.4, HRS, the Department of Health is submitting a report to the 2009 Legislature that outlines the amount of moneys deposited into and expended from the Office of Health Care Assurance Special Fund, and the sources of receipts and uses of expenditures.

Act 120, H.B. No. 1664 of the 1999 Legislative Session established the hospital and medical facilities special fund in order that moneys collected would be expended to assist in offsetting program expenses of the department's hospital and medical facilities branch. Act 188, H.B. No. 1357 of the 2001 Legislative Session amended the original intent of the special fund to offset educational program expenses and enhance the capacity of the program to improve public outreach efforts and consultations to industries regulated and educate the public, staff of the department, hospitals, nursing homes and care homes and industries regulated. Act 90, H.B. No. 1368 of the 2007 Legislative Session renamed the special fund to reflect the current name of the Office of Health Care Assurance (OHCA). It also requires that moneys collected by OHCA in the form of fees and fines be deposited into this account and allows the special fund to be used to offset OHCA's operational expenses.

REPORT TO THE LEGISLATURE
IN COMPLIANCE WITH SECTION 321-1.4, HRS

Introduction:

The Department of Health is committed to ensure the health, welfare and safety of all individuals receiving health care services in all settings in the State. In order to achieve this goal, the department has established minimal standards for licensure and certification that is monitored through inspections and investigations. As deficiencies are identified, the department provides consultation to correct deficient practices.

Conclusion:

The Office of Health Care Assurance Special Fund (S310H) ceiling was established in the 2004 legislative session. The department has hired a contractor to assist with the development of rules and has collected data from other states to develop a baseline, which will be considered as fees are established. Below shows miscellaneous revenues collected from fees charged for preparation of legal documents and the balance as of June 30, 2008.

Beginning Balance (7/1/07)	Revenues	Expenditures/ Encumbrances	Balance (6/30/08)
$475.90	$3,805.90	$1.45	$4,280.35