



Kula Community Association
P.O. Box 417
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Maui Memorial Medical Center
221 Mahalani Street
Wailuku, HI 96793

February 28, 2011

TO: Representative Marcus R. Oshiro, Chair
Representative Marilyn B. Lee, Vice Chair

HOUSE COMMITTEE ON FINANCE

Tuesday, March 1, 2011, 4:00 p.m.
Conference Room 308
State Capitol, 415 Beretania Street

FROM: Wesley Lo
Regional Chief Executive Officer

Bobbie Patnode
Vice President and Health Issues Chair, Kula Community Association

RE: HB 978 HD1 – RELATING TO HEALTH

Thank you for the opportunity to submit testimony in support of HB 978. The purpose of HB 978 is to authorize the Hawaii Health Systems Corporation to lease Kula Hospital's medical clinic, and all equipment, furnishings, and fixtures therein, to Malama I Ke Ola Health Center, or any other qualified provider, subject to certain conditions including, but not limited to:

- 1) Require the Health Center to have received federal funds during the term of the lease and maintain its status as a federally-qualified health center;
- 2) Require any other provider to show the ability to maintain the Kula Clinic's services for the foreseeable future and meets the goals of the clinic
- 3) Require local resident participation in any oversight board governing the Kula Clinic's operation.

The Kula Clinic has been in the community for decades and continues to service the Kula community. The Kula Clinic supports the operations of Kula Hospital. A goal of the clinic is to provide access to those who do not have access to healthcare, in particular Medicaid and un-insured population. It currently loses approximately \$120,000 per year.

We support this measure because we want to ensure that the Kula Clinic remains in existence in the long term; that it becomes financially viable; and that it expands services to include more of those who do not have access to healthcare.

Therefore, we believe that a below market lease to the FQHC or any other provider(s) that can maintain the Kula Clinic's services for the foreseeable future and meets the goals of the clinic will provide for better options for the growing rural community of Keokea/Kula/Waiohuli.

Thank you again for the opportunity to testify in support of this measure.

Respectfully submitted,

Wesley Lo
Chief Executive Officer
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