

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



KENNETH S. FINK, M.D., M.P.H., M.G.A.
DIRECTOR OF HEALTH
KA LUNA HO'ŌKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378

In reply, please refer to:
File:

December 31, 2025

The Honorable Ronald D. Kouchi,
President and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura,
Speaker
and Members of the House of
Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the of the Annual Report to the Legislature on Initiatives and Improvements in Kalaupapa Settlement and to Track Patient and Non-Patient Costs Separately, Whenever Appropriate and Possible, pursuant to Chapter 326, Section 25.5, Hawaii Revised Statutes.

In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at:

<https://health.hawaii.gov/opppd/department-of-health-reports-to-2026-legislature/>

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Fink".

Kenneth S. Fink, M.D., M.P.H., M.G.A.
Director of Health

Enclosures

c: Legislative Reference Bureau
Hawaii State Library System (2)
Hamilton Library

REPORT TO THE THIRTY-THIRD LEGISLATURE
STATE OF HAWAII
2026

PURSUANT TO SECTION 326-25.5, HAWAII REVISED STATUTES, REQUIRING THE DEPARTMENT OF HEALTH TO SUBMIT AN ANNUAL REPORT TO THE LEGISLATURE ON INITIATIVES AND IMPROVEMENTS IN KALAUPAPA SETTLEMENT AND TO TRACK PATIENT AND NON-PATIENT COSTS SEPARATELY, WHENEVER APPROPRIATE AND POSSIBLE

PREPARED BY:

STATE OF HAWAII
DEPARTMENT OF HEALTH
DECEMBER 2025

REPORT TO THE LEGISLATURE

IN COMPLIANCE WITH SECTION 326-25.5, HRS

The Department of Health (DOH) submits this annual report to the Thirty-Fourth Legislature, 2026 in compliance with Section 326-25.5, Hawaii Revised Statutes.

In response to an audit conducted during the summer of 2003 (Auditor's Report No. 03-15, Audit of Kalaupapa Settlement Operations and Expenditures), the Hawaii State Legislature statutorily required (Act 232, Session Laws of Hawaii, 2004) the DOH to provide an annual report to the Legislature that addresses the following areas of concern regarding Kalaupapa Settlement:

1. The Department's provision of medical and basic living needs of the patients;
2. The Department's progress toward defining and addressing the non-medical needs of patients;
3. The Department's progress toward promoting a positive living environment;
4. The Department's management of State resources, including benefits given to employees that are not statutorily defined;
5. The Department's progress toward establishing written policies and procedures for the Kalaupapa store;
6. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints;
7. The performance of the Administrator, including compliance with job duties;
8. The Department's progress toward adequate accountability of State property; and
9. Details and justification of approved employee air travel requests and trail pay.

In 2024, the State Legislature passed Act 118 (GM 1219 - June 28, 2024), which amended Section 326-25.5, Hawaii Revised Statutes to require that the DOH additionally address the following areas of concern in this annual report:

10. "Details and updated information, as available, regarding the permanent transfer to other governmental or qualified non-governmental entities of the powers and duties of the department and any other state agency over Kalaupapa Settlement;"
11. "Details including efforts of engagement by the department with Molokai community groups, including the addition of Ka Ohana O Kalaupapa and a nongovernmental organization from the non-peninsular area of Molokai to be selected by the department in consultation with the non-peninsular

area of the Molokai community.”

DOH welcomes the opportunity to provide the Legislature with this update. Note that all the problems identified in the auditor’s December 2004 report were addressed, corrected, and described in the 2005 Annual Report to the Legislature. Subsequent annual reports have provided continuous updates on the listed topics.

1. Provision of medical and basic living needs of the patients

The DOH is mandated under Chapter 326, Hawaii Revised Statutes (Section 326-40, HRS), to provide adequate health care and other services to the Kalaupapa patient residents for the remainder of their lives and those desiring to remain at the facility (Kalaupapa Settlement) shall be permitted to do so for as long as that patient may choose. Today, there are five (5) living Hansen's disease patients on the Kalaupapa registry. These Kalaupapa patients range in age from 84 to 101 years old with a median age of 90 years.

The Kalaupapa patients have disabilities related to Hansen's disease and many continue to encounter long-term foot ulcers related to nerve damage and the associated loss of sensation. In addition, typical chronic diseases associated with aging such as diabetes, congestive heart failure, renal failure, hypertension, cognitive impairment, mobility issues, and various types of malignancies afflict this geriatric population.

Pursuant to Section 326-1.3, HRS that ensures Kalaupapa patient residents "are treated with dignity, respect, courtesy and sensitivity," the DOH's goal has been to keep patients as independent as possible, appropriate to their capacity and capabilities. To achieve this, the Hansen's Disease Branch (HDB) developed several programs to promote independence and maximum functional capacity and provides various levels of patient care. While most patient meals in Kalaupapa are served at the Kalaupapa Care Home (KCH), upon patient request, kitchen and nursing staff prepare and deliver pre-made meals for home consumption, further assisting patients to remain in their homes as long as possible. A contracted dietician provides consultation to individual patients as well as to the care home and kitchen staff to ensure that patients' nutritional needs are met.

In Kalaupapa, those patients that choose to continue living in their own homes will typically visit the KCH on a daily basis for medications, wound care, meals, and socialization with staff and other residents. Medically fragile patients who choose to remain in their homes are issued hand radios to reach KCH or the Administrator and a medical emergency alert signaler that is worn to alert KCH staff when they get into any situation that might require assistance. To further support the patients who live independently at Kalaupapa, housekeeping, care home and maintenance staff are available to provide house cleaning, help with chores, and light cooking services.

When a patient's care needs increase, they often choose to gradually spend more nights in the KCH with closer staff monitoring and support. To date, this approach has proven to be a very effective option when patients require a transition to more dependent care.

The KCH has five (5) beds and provides care for patients requiring long term, intermediate, and skilled nursing supervision. During FY 25 (July 2024 - June 2025), three (3) residents resided regularly at KCH, and two (2) residents lived in their own residences in Kalaupapa while receiving regular outpatient care and daily meals at the care home. Physician visits to KCH are scheduled monthly. Should patient concerns require physician consultation between these regularly scheduled visits, staff will make special arrangements for additional physician visits, as needed. When indicated, KCH staff also schedule telehealth consults via DOH's Microsoft Teams accounts. Since the COVID-19 pandemic, telehealth subspecialty consultation and follow up have become standard at the KCH.

Patient care is coordinated through a collaborative interdisciplinary approach referred to as the “patient-centered medical home” model. The care team consists of internists, a family practitioner, geriatrician, psychiatrist, dietician, social worker, pharmacist, and the nursing supervisors and staff of the Kalaupapa and Hale Mohalu care homes. A contract with PharMerica ensures that quarterly medication regimen reviews are provided by a consultant pharmacist, and physician services are covered under another contract with University Clinical, Education & Research Associates, dba University Health Partners of Hawaii.

Patient accommodations and care are also provided at the Hale Mohalu Care Home (HMCH) in Honolulu, which has nine (9) beds. In 2023, a Memorandum of Understanding (MOU) was developed between Hansen’s Disease Branch and DOH’s Office of Health Care Assurance (OHCA) to provide for ongoing review of operations at both Hale Mohalu and Kalaupapa Care Homes to assure that standards are in place to protect resident’s health, safety, welfare and civil rights.

Patients often elect to stay at HMCH because they require assistance to access the wider range of medical services offered in Honolulu. Travel arrangements are made by staff and paid for by HD Branch. When necessary, or specifically requested by the patient, care home staff accompany patients throughout their travel for medical services. Arriving Kalaupapa patients are met at the Honolulu airport, transported from the airport and accompanied by staff to their medical appointments. If patients find that more time is needed in Honolulu, they are temporarily accommodated at HMCH.

For patients requiring longer term treatments, rehabilitation, recovery from complex medical procedures or who are diagnosed at the end stages of life, HMCH serves as a familiar “second home” in Honolulu.

This year, two (2) patients resided at the HMCH facility on a long-term basis for a variety of reasons. One of these patients required a three (3) month stay at Leahi Hospital to access additional rehabilitation services following the onset of an acute condition related to chronic health issues.

HMCH staff also coordinate efforts with the Hansen’s Disease Community program to support one (1) patient that continues to live independently in the community. Due to an acute illness this year, this patient required a higher level of care than could be provided at home and was admitted to Hale Mohalu Care Home for a twelve (12) day period.

To support direct patient care, safety, and comfort, KCH ordered a bladder scanner, portable oxygen tanks and five new beds and overbed tables which were delivered on the 2025 barge. HMCH purchased a tube feeding machine, an electrocardiogram (EKG) machine, a portable wheelchair stairlift (used to facilitate emergency evacuations) and physician’s desk.

As part of preventive health measures, all inpatient and outpatient residents at KCH and HMCH were fully vaccinated for COVID-19 and have received all booster shots that were recommended, and for which they were eligible, during the current year. All Kalaupapa patients receive their annual influenza immunizations and annual tuberculosis screenings which are completed for all care home residents and employees.

Patients with acute medical conditions may require air ambulance evacuation due to the

geographic isolation of the Settlement and long periods between scheduled commercial flights. The DOH pays for this cost and, as with all medical services for Kalaupapa patients, is the payer of last resort. No patient medical evacuations were required from Kalaupapa during the past year.

With leadership and special coordination provided by Hawaii Department of Transportation (DOT), several Medevac Exercises have been conducted at Kalaupapa Airport in recent years to simulate the evacuation of a critically injured person at night or in low-visibility situations. These exercises included the demonstration of newly available technologies (helicopter autopilot and night-vision goggles for crew) that make nighttime evacuations possible at Kalaupapa. The goal of these exercises is to assure coordination among all parties that could potentially be involved with a medical evacuation at Kalaupapa, including DOH, NPS, DOT, United States Coast Guard, and two private companies - REACH Air Medical Services and American Medical Response - that provide Maui County's EMS/911 ambulance services.

2. The Department's progress toward defining and addressing the non-medical needs of patients

The HDB Social Worker continues to meet regularly with patients to: (1) discuss and assist with their Physician Orders for Life Sustaining Treatment (POLST), and other legal documents such as durable power of attorney forms, advanced healthcare directives, wills, a variety of banking tasks (transferring investment accounts, adding beneficiaries, obtaining a signature guarantee, signature card), and health insurance issues/billing; (2) provide support for patient medical appointments and attend meetings with doctors, as needed; (3) coordinate care and work with patient families; and (4) purchase equipment and supplies for the facility or the patient's personal use. This year, the Social Worker continued assisting patients to update and obtain acceptable forms of personal identification so that they will be in compliance with new legal requirements when boarding federally regulated commercial aircraft. This multi-year effort has been made to assure that all patients will maintain their ability to travel by air, allowing patients to obtain necessary medical care in Honolulu and to socialize with family and friends.

In addition to medical services described in Section 1, all Kalaupapa patients are provided with ancillary services, such as transportation, and medical devices. These include wound care supplies, hearing aids, dental services, eyeglasses or contact lenses, prostheses, orthotics, shoes, oxygen concentrators and wheelchairs.

Most of the patients' basic living needs are provided by the DOH. Care and residence at KCH or HMCH are provided to all patients free of charge. Water in Kalaupapa is provided by NPS and electricity is provided by DOH. All patient residents of Kalaupapa receive a \$45.00 per week food credit to purchase goods from the Kalaupapa store. All patients also receive a quarterly \$30.00 cash allowance and a semiannual \$70.00 clothing allowance. After an internal review of current patient cash and clothing allowances, an adjustment was applied effective as of the fourth quarter increasing cash allowance to \$50 and clothing allowance to \$115. One patient living in the community receives a quarterly food allowance which was also increased effective the fourth quarter from \$577.80 to \$950. For those patients without any third-party medical insurance, DOH pays their Medicare Part B premiums to save on medical costs, and Medicare Part D premiums

to save on drug costs, as well as all co-pays, and other extraneous medical costs.

In 2004, a patient household appliance replacement program was initiated to address this audit identified issue. The appliance replacement program was developed after surveying the patients for their input as to how the program should be run. This year, one washing machine, one dryer, one stove, one microwave and one air conditioner were replaced for two patients.

3. The Department's progress toward promoting a positive living environment

DOH Maintenance, Construction and Housekeeping staff completed a variety of regular building maintenance projects (e.g., painting, minor structural repairs, electrical/plumbing repairs, repairs of equipment and general building upkeep) at KCH and individual patient residences in Kalaupapa this year.

Patient homes in Kalaupapa are remodeled or repaired as needed to accommodate any limited mobility or diminished physical functioning of the residents. This year, no patient homes in Kalaupapa required major remodeling, however, as with KCH, a variety of regular maintenance and repair work was required for doors, door locks, windows, screens, lights, cabinets, plumbing, a garage roof, and sidewalks. Throughout the year, staff performed regular yard maintenance, assisted with pest control issues (e.g., ants, bees, wasps) and helped patients with tasks such as moving furniture or other bulky household goods.

DOH has long provided a formal venue for two-way communication with patients and Kalaupapa community members at regular community meetings. DOH maintains two community bulletin boards, located at the Settlement Administration Office and the Kalaupapa Store to ensure maximum public exposure and access, and to provide community members with the latest information about current issues in Kalaupapa.

DOH appreciates recent Legislative support for a variety of Capital Improvement Project (CIP) requests at Kalaupapa. Funding was approved by the Legislature in the 2023 and 2025 sessions to help address important large project expenses that are beyond the scale of the Department's current patient care operating budget. The status of the currently funded CIPs are summarized in the following list.

2023 LEGISLATURE CIP FUNDING

1. Landfill Closure
 - \$7,200,000
 - Closure of the Construction & Demolition (C&D) landfill - DAGS JOB NO. 13-20-2714
 - DAGS Solicitation - Goodfellow Brothers submitted low bid - \$9,542,377 (June 2024)
 - DOH received Notice of Insufficient Funds (\$2,342,377)
 - *DOH requested additional CIP \$2.5 million (part of the \$5.5 million awarded by 2025 Legislature for "Landfills")*
2. Facility Improvements
 - \$945,000

- Re-Roof Kalaupapa Care Home - DAGS JOB NO. 13-20-2720
 - DAGS Solicitation – F & H Construction submitted low bid - \$1,159,360 – (August 2024)
 - DOH received Notice of Insufficient Funds (\$359,360)
 - *DOH requested additional CIP \$500,000 (part of the \$2.5 million awarded by 2025 Legislature for “Facility Improvements”)*
3. Underground Storage Tanks (USTs - Gas Station)
- \$580,000
 - Assess, develop plan for removal of USTs - DAGS JOB NO. 13-20-2748 – (May 2024)
 - DAGS Solicitation – AECOM Technical Services, Inc. - \$119,000
 - Assessment, plan and budget development is in process
4. Buildings – Hazardous Materials Remediation and Improvements
- \$440,000
 - Assess residential buildings for presence of lead paint, asbestos – DAGS JOB NO. 13-20-2748 – (May 2024)
 - DAGS Solicitation – Mason Architects – \$350,000 (January 2025)
 - Assessment, plan and budget development in process

2025 LEGISLATURE CIP FUNDING

5. Landfill Closures
- \$5,500,000 (total)
 - \$2,500,000 to provide additional funding for:
 - Closure of the Construction & Demolition (C&D) landfill
DAGS JOB NO. 13-20-2714 (see #1 above)
 - \$3,000,000 to provide new funding for:
 - Installation of Synthetic Cover for MSW Landfill
DAGS JOB NO. not yet assigned
6. Facility Improvements
- \$2,500,000 (total)
 - \$500,000 to provide additional funding for:
 - Re-Roof Kalaupapa Care Home
DAGS JOB NO. 13-20-2720 (see #2 above)
 - \$2,000,000 to provide new funding for:
 - Building repairs, re-roof store warehouse
DAGS JOB NO. not yet assigned

In addition to these currently funded CIPs, DOH will request additional CIP funding from the Legislature during the 2026 session. The requested funding will support construction activities necessary to remove three (3) Underground Storage Tanks located at the Kalaupapa Gas Station if an “interstitial monitoring” system is not present. An interstitial monitoring system is a leak detection method for double-walled USTs and piping that uses a sensor to check the space (interstice) between the inner and outer walls. As per

HAR §11-280.1-21, all UST systems in the State of Hawai'i are required to have "interstitial monitoring" systems by July 15, 2028, otherwise "closure" is required. "Closure" involves removing the tanks from their underground location.

DAGS JOB NO. 13-20-2748 is presently in process to assess the tanks and to develop a plan and budget for their removal.

4. The Department's management of state resources, including benefits that are given to employees that are not statutorily defined

The DOH continues to manage State resources according to the State's policies and procedures for purchasing goods and services, expending goods, and disposing of expired durable goods as originally described in the 2005 Legislative Report.

No new benefits that are not statutorily defined have been given to the Kalaupapa employees during the past fiscal year.

5. The Department's progress toward establishing written policies and procedures for Kalaupapa store

In response to deficiencies identified in the 2003 audit, the Kalaupapa store developed policies and procedures in January 2004 to dispose of inventory that expired or was deemed unsellable. The audit identified the lack of written policies and procedures for the disposal of inventory at the Kalaupapa store as contributing to an appearance of potential abuse.

The inventory management policy specifies "first in, first out" utilization of inventory. Quarterly inventory counts are used to reconcile the actual inventory on hand with the database and are used to determine annual purchase projections for each store item. Accurate annual usage data provides the basis for more precise ordering and decreased overages for any given item. According to the store's policies and procedures, all disposals are requested by the store supervisor, authorized by the Kalaupapa Administrator, and witnessed and signed off by two other employees at the time of actual disposal.

During FY 25, store purchases totaled \$122,784 and \$3,692 worth of store goods were disposed of due to spoilage, expired sell dates, insect infestation or damaged containers.

6. The Department's progress toward establishing and maintaining a complaint file and adequately addressing complaints

Both the HD Branch Administration and the Kalaupapa Administrative Office set up a formal complaint process as of January 2004. All complaints are logged with the date received, how the complaint was received (e.g. phone call, letter), nature of the complaint, what actions were taken and when the actions were taken. All complaints are followed up by a written response or a follow up phone call to the person that filed the complaint. Administration Office staff are available during normal operating hours to receive, record and address any in-person complaints or concerns of patients and other residents.

Regular monthly meetings of the Kalaupapa Patient Advisory Council (KPAC) have been held within the Settlement since June 2003 to provide a specific opportunity for patients

to discuss and comment on all aspects of the Settlement's operations.

The KPAC meetings are held in the KCH to promote greater convenience for patients and are attended by DOH staff, including the HD Branch Chief, the Branch's Administrative Officer and the Kalaupapa Administrator so that patients can directly communicate with Kalaupapa leadership. DOH's Communicable Disease and Public Health Nursing Division Chief and the Director of Health also periodically attend KPAC meetings.

Administration staff continues to maintain an "open door policy" and to conduct regular outreach to all Kalaupapa patients, prioritizing monthly visits to discuss and address individual patient concerns.

7. The performance of the administrator, including compliance with job duties

In January 2024, a new Settlement Administrator was hired and has diligently oriented himself to the patients, staff, community and the other government agencies that are involved in Kalaupapa's management.

The Administrator's objectives this year included: 1) shuffling of staff assignments due to an abundance of facility maintenance and repair projects with limited staffing 2) strengthening his communication skills, 3) establishing management priorities, and 4) assisting in the recruitment and on-boarding of employees to address the Settlement's ongoing staff shortage. The new Administrator has been assisted through the many administrative challenges by the HD Branch Chief, who has over 20 years of experience in the Branch, as well as the HD Branch Administrative Officer and HD Branch Planner, who both gained on-the-ground management experience at Kalaupapa when they were temporarily assigned administrator duties after the previous administrator's retirement.

8. The Department's progress toward adequate accountability of state property

Inventory control policies that were developed and implemented in June of 2004 have been utilized effectively since. All new State property brought in on the barge is affixed with a decal. The State employee delivering the item must report the item/description, decal number, and location delivered to the administration office while the receiving party must sign the item to acknowledge receipt. All State property shipped out on the barge for disposal must have a State-approved Disposal Application Form (DAGS form) and be logged on the Kalaupapa Administration Office's Outgoing Barge Form to facilitate inventory control.

9. Details and justification of approved employee air travel requests and trail pay

Each bargaining unit contract contains a specific article that allows a Kalaupapa employee whose permanent residence is on "topside" Molokai, and who is provided quarters in Kalaupapa as a matter of convenience be granted either three roundtrips by air per month, or two hours of travel pay for walking up and down the trail once a week to topside. Employees whose permanent residence is in Kalaupapa will be granted one roundtrip by air to topside each month or in lieu of the three round trips to topside, an employee may take one inter-island round trip per quarter.

Employee air travel procedures that were modified, implemented, and reported in the

2005 Legislative Report continue to be utilized. All employee requests for air travel reimbursement must be substantiated by a valid airline receipt. In addition to submitting the receipt, the employee must also complete and sign a reimbursement application at the end of each month for that month's travel. These reimbursement requests are then sent to the Branch Office for review and approval by the administrative officer and input by the Program's Time and Leave Keepers.

During FY 25, the DOH expended \$25,882 for employee authorized trail/air travel pay.

PATIENT AND NON-PATIENT COSTS

Act 232, SLH 2004, amended Section 326-13, HRS on expenses at Kalaupapa, to include a new subsection (b) in which "expenses related to patients shall be tracked separately from non-patient costs, whenever appropriate and possible." There were several costs that could be tracked separately, but most of the costs for Kalaupapa could not be separated.

The following is a summary of expenses that were tracked or that could be readily calculated.

<u>Patient Expenses for FY 25:</u>	<u>COST (\$)</u>
Home Care Staff Salaries	133,756
Home Care Staff Overtime	8,078
Medications	22,733
Miscellaneous Medical Supplies	35,177
Medical & Ancillary Services	173,540
Medical Insurance Premiums (Medicare, etc.)	9,549
Medicare Reimbursement	4,488
Nursing Facility Staff Salaries	648,519
Nursing Facility Staff OT	83,685
Patient Employee Program Salaries	10,720
Physician Services	135,589
Travel Cost for Medical Care	3,166
Dietary & Nutrition Services	6,702
Physical Therapy Services	450
Cash Food Allowance	2,683
Food Rations	9,360
Meals	22,785
Clothing Allowance	1,365
Cash Allowance	1,007
Patient Employee Program Pensions	25,581
Appliances (washers, refrigerators, and stoves)	5,147
 <u>Non-Patient/Employee Expenses for FY 25:</u>	 <u>COST (\$)</u>
Trail Pay/Air Travel	25,882
Employee Meal Stipends	13,320

Salaries (Admin, Food Services and Const. & Maintenance)	1,003,829
Overtime (Admin, Food Services and Const. & Maintenance)	5,349
Standby Pay	8,962
Employee Safety Equipment Cost (steel toe shoes, gloves, goggles, respirators, scaffolds/harness, etc.)	2,163
Store Disposals	3,692

**As of the FY24 annual report, only actual expenditures will be reflected.
Encumbrance balances were included in previous year reports.*

Expenses that would be difficult to track as either patient or non-patient include:

- Administrative/clerical Services: labor cost, supplies, facility maintenance, and utilities
- Housekeeping Services: labor cost, supplies, facility maintenance, utilities, and equipment
- Food Services: labor cost, supplies, facility maintenance, equipment cost and maintenance, and utilities
- Kalaupapa Store: labor cost, supplies, facility maintenance, utilities, shipping, and spoilage
- General Construction and Maintenance Services: labor cost, supplies, facility maintenance, utilities, equipment cost and maintenance
- Electricity Cost: (State buildings are not metered, and one bill is generated)
- Trash Pickup and Landfill Operations
- Upkeep of Common Areas

In all the above examples, the DOH staff provided services for patients, staff, visitors, and in some cases, the NPS. It is difficult to separate most costs in Kalaupapa and would require great cost in time, energy, and staffing with questionable accuracy. As an example, the Housekeeping Unit provides janitorial and housekeeping services for the nursing facility, State offices, community buildings, and all the Visitors' Quarters. The community buildings and Visitors' Quarters are used by patients and non-patients daily. Assigning costs for supplies used, cost of utilities, facility or building maintenance, and equipment purchased or used is not feasible.

The General Construction and Building Maintenance Units provided general construction and maintenance services and were responsible for repair and maintenance of all buildings within the Settlement. Painting, carpentry, common area yard maintenance, vehicle repair and maintenance, garbage pickup, and landfill operations were subunits under the two units. As in the previous example above, all subunits would have to be evaluated making assignment to either a patient or non-patient category difficult. In order to separate patient and non-patient cost, each activity would have to be evaluated separately to assign a cost estimate rather than actual costs in most cases.

10. Information regarding permanent transfer of the powers and duties of the Department over Kalaupapa Settlement

The primary powers and duties of the Department over Kalaupapa Settlement and Kalawao County are defined in Section 326, Hawaii Revised Statutes. These powers and duties were assigned so that the Department could effectively "promote and protect the personal liberty, autonomy, and dignity of all patient residents at Kalaupapa" as mandated

per HRS §326-1.3(b).

Kalawao County is located on the north shore of the island of Moloka'i and is defined in both HRS §4-1(2)(F) and §326-34(a) generally as “that portion of the island of Moloka'i known as Kalaupapa, Kalawao, and Waikolu, and commonly known or designated as the Kalaupapa Settlement...”

Until patient care is no longer required at Kalaupapa, the Department of Health will maintain jurisdiction and control over Kalawao County – as described in HRS §326-34(b) – and continue requiring that all visitors obtain written permission of the Director of the Department of Health prior to their arrival – as described in HRS §326-26, and as implemented through the Department's long established “visitor permitting” procedure. In the 2025 Legislative session, a bill was introduced to begin preparations for the future transfer of responsibilities at Kalaupapa following the eventual conclusion of patient care by the DOH. The proposed amendments of HRS §326 are intended to go into effect one to two years after the passing of the last Kalaupapa patient.

In light of the 2023 Maui County Charter amendments clarifying the County's geographic boundaries, Maui County may now assume responsibility for the Kalawao County area once any State laws or regulations excluding the area from County jurisdiction are repealed. The Department has notified Maui County of its intent to repeal HRS §326-34(b) — which currently provides that “The county of Kalawao shall be under the jurisdiction and control of the department of health” — and will continue to work collaboratively with the County and other stakeholders to explore options for a smooth and orderly future transition.

When the Department's patient care role at Kalaupapa ends, Department permission will no longer be required for visitors. Since the boundaries of Kalaupapa National Historical Park (KNHP) are the same as Kalawao County (“coterminous”), all general visitors to the area would then be subject to National Park Service guidelines regarding visitors that are outlined in the Kalaupapa National Historical Park [General Management Plan](#) and [Superintendent's Compendium](#). The Superintendent's Compendium outlines the Park's guidelines regarding visiting hours, public use limits, closures, and area designations and applies to all lands and waters administered by the National Park Service within the boundaries of Kalaupapa National Historical Park.

Additional operational tasks currently managed by DOH will be transferred to the National Park Service or the State landowners (DLNR and DHHL) when the patient care role ends. For further details and an estimated timeline of these transitions, please see Attachment – DOH's Kalaupapa Transfer Plan.

11. Report on community engagement efforts with community stakeholders and the Molokai community

In Spring/Summer 2024, the Department launched a public facing “Kalaupapa Updates” website (<https://health.hawaii.gov/kalaupapaupdates/>) in an effort to provide a convenient “one-stop” location to access important information about Kalaupapa. The site includes:

- a brief history of Kalawao County and the Kalaupapa Settlement;

- a timeline of “transfer” activities and events, that begins in 1969 with the repeal of provisions of State law that had required the segregation of individuals with Hansen’s Disease;
- a detailed listing of government agencies involved at Kalaupapa and their roles;
- a table that outlines current operational tasks and responsibilities for government agencies at Kalawao County and Kalaupapa;
- downloadable copies of the most recent annual reports the Department has submitted to the Legislature (2018-2024), as required by HRS 326-25.5, (all prior year reports should be available through the Hawaii Legislature website);
- downloadable copies of government plans and intergovernmental agreements for Kalaupapa;
- links to government laws and rules that guide the management of Kalawao County and the Kalaupapa Settlement, and;
- a link to a copy of a bill that was introduced to the Hawai’i State Legislature to begin preparations for the transfer of responsibilities at Kalaupapa following the eventual conclusion of patient care along with a link to a feedback form on the proposed legislation.

The DOH website has been updated regularly over the course of the past year with additional information as available.

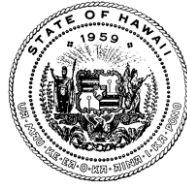
On October 5, 2024, the Department, in partnership with the Department of Hawaiian Home Lands (DHHL), Department of Land and Natural Resources (DLNR), Department of Transportation (DOT) and the National Park Service (NPS), hosted a Kalaupapa Informational Briefing at Kaunakakai Elementary School on Moloka’i. Members of the public with an interest in Kalaupapa were encouraged to attend.

At this meeting, representatives from DOH, DHHL, DLNR, DOT and NPS shared information about their current roles and responsibilities in Kalaupapa and Kalawao County and how they are working together to support the patients and steward this special place. The Department has maintained full meeting video and presentation slides on the Department’s Kalaupapa Updates website so that the information can be shared with those who were unable to attend the meeting in-person.

At the October 2024 public meeting, Maui County Councilmember Keani Rawlins-Fernandez and Hawai’i State Representative Mahina Poepoe announced their intent to organize and lead additional future stakeholder meetings. Representatives from DOH and other state agencies agreed to provide information and participate when the meetings were offered.

DOH is greatly appreciative for the opportunity to share with the Hawaii Legislature all the actions it has taken to address the auditor’s report and improve the quality of life for the patients of the Kalaupapa Settlement. It is also grateful for the opportunity to provide information about its efforts to engage the Community, and to share that DOH continues to provide information on the history of DOH’s involvement in, and the current status of, Kalaupapa Settlement and Kalawao County through its public website.

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'AINA O KA MOKU'AINA 'O HAWAII'



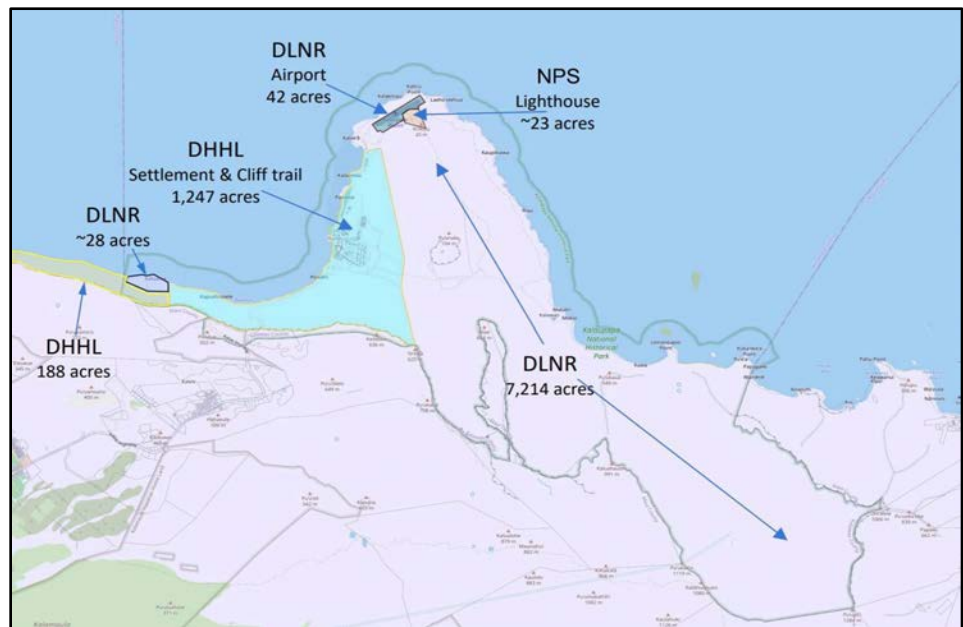
KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378

Kalaupapa Transfer Plan
November 2024

Kalaupapa National Historical Park (outlined in green in map below) was created by the U.S. Congress in 1980 and is managed by the National Park Service (NPS). "[Kalaupapa National Historical Park](#) honors the mo'olelo (story) of the isolated Hansen's disease (leprosy) community by preserving and interpreting its site and values. The historical park also tells the story of the rich Hawaiian culture and traditions at Kalaupapa that go back at least 900 years." NPS has a [cooperative agreement](#) with the State of Hawaii Department of Land and Natural Resources (DLNR) for conservation and land management purposes that expires in 2029, and

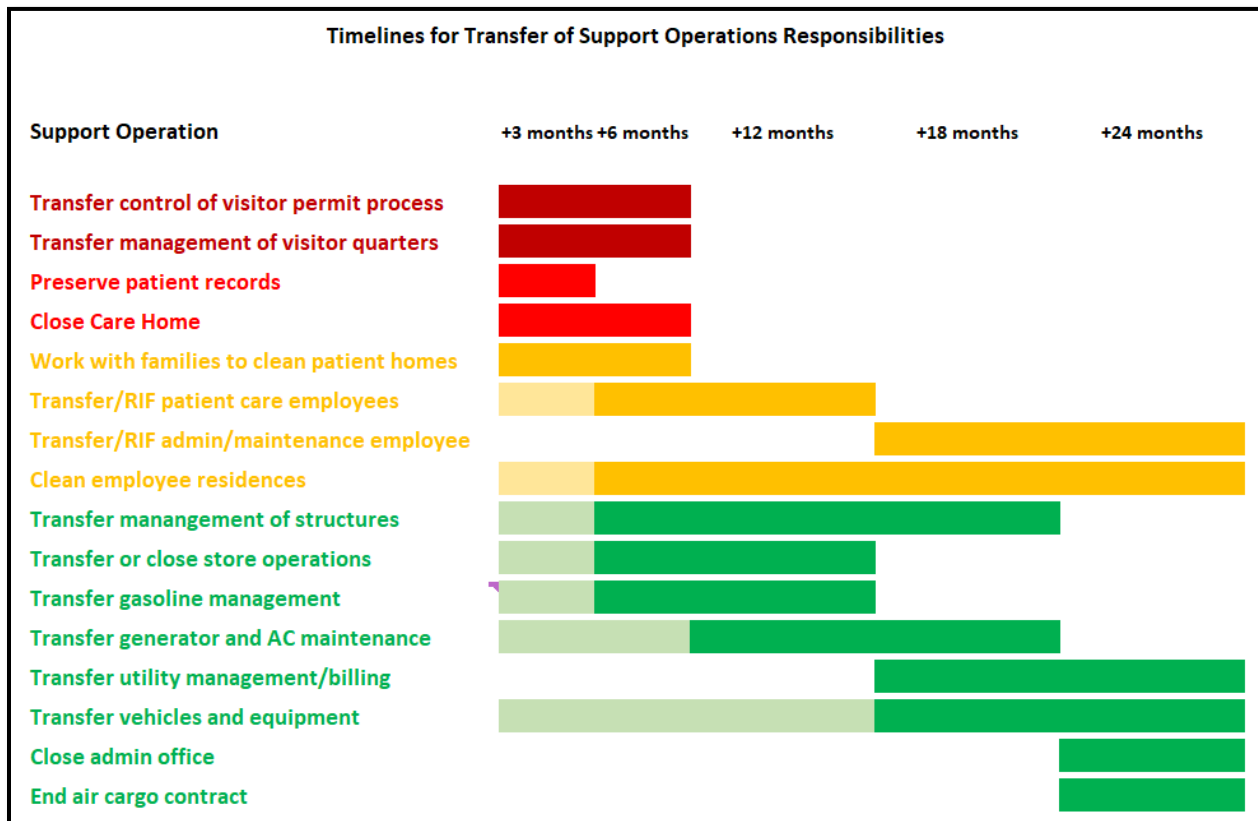
it has a [lease](#) with the State of Hawaii Department of Hawaiian Home Lands (DHHL), upon which the Kalaupapa settlement is located, to utilize its land to advance the purpose of the Kalaupapa National Historic Park that expires in 2041.



Prior to the creation of the Kalaupapa National Historical Park, Kalawao County was established and placed under the control and jurisdiction of the State of Hawaii Department of Health (DOH) as described in [Hawaii Revised Statutes §326](#). DOH has a mission to provide care for patients who had Hansen's Disease and administers operations to support the care of patients there such as utilities, maintenance, and supplies. These general support operations also support the NPS mission at Kalaupapa National Historical Park. DOH has operated under a [cooperative agreement with NPS](#) since 1984, and the two parties have been collaborating to gradually transfer responsibility of support operations from DOH to NPS.

When DOH's patient care mission at Kalaupapa National Historical Park concludes, it will begin the final transfer of its responsibilities in Kalaupapa to NPS based on the estimated timeline below. This timeline

represents the key activities that DOH anticipates embarking on when the Department’s patient care role at Kalaupapa ends but is not intended as an exhaustive list. Additions and changes are expected.



*Support operations are grouped by category.

**Lighter colors indicate the timeline of planning and preliminary efforts for that operation with bright colors indicating estimated official start of that activity.

DOH will maintain responsibility for environmental remediation until completion. The timing is dependent on the availability of funding. The currently identified projects are:

- Applying synthetic cover to closed municipal solid waste (MSW) landfill
- Closing the construction and demolition (C&D) landfill
- Reroofing the care home building and the storage warehouse
- Coordinating with NPS and DHHL on abandoned vehicle removal
- Cesspools closure
- Hazardous material identification and abatement

The cooperative agreement between NPS and DLNR as well as the lease between NPS and DHHL will continue beyond DOH’s role in managing Kalaupapa Settlement/Kalawao County, and NPS will continue to manage the Park for the foreseeable future under the guidance outlined in its [General Management Plan \(2021\)](#). Should a landowner seek to change the use of its land in the National Historical Park, this would be negotiated between the landowner and NPS.

DOH will continue to work closely with all stakeholders to ensure a smooth transfer of its responsibilities at Kalaupapa and will frequently review and update this plan as conditions change.