



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

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

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ADMINISTRATOR'S REPORT
July 1, 2026

Subarea Health Planning Councils (SACs)

Hawaii County Subarea Health Planning Council (HCSAC)

Honolulu Subarea Health Planning Council (HONSAC)

Kauai County Subarea Health Planning Council (KCSAC)

Tri-Isle Subarea Health Planning Council (TISAC)

West Oahu Subarea Health Planning Council (WOSAC)

Windward Oahu Subarea Health Planning Council (WISAC)

Hawaii

Date of meeting: June 5, 2026

Meeting update: [HCSAC-Draft-Meeting-Minutes-June-5-2026.pdf](#)

Next meeting has not been scheduled

Honolulu

Date of meeting: June 1, 2026

Meeting update: [HONSAC-Draft-Meeting-Minutes-June-1-2026.pdf](#)

Next meeting has not been scheduled

Kauai

No scheduled meeting/Did not meet in June

Next meeting scheduled for Monday, July 13, 2026

Tri-Isle

No scheduled meeting/Did not meet in June

Next meeting scheduled for Friday, July 10, 2026

West Oahu

No scheduled meeting/Did not meet in June

Next meeting scheduled for Thursday, July 16, 2026

Windward Oahu

No scheduled meeting/Did not meet in June

Next meeting scheduled for Thursday, July 16, 2026

For a complete list of available meeting minutes go to <https://health.hawaii.gov/shpda/public-meeting-minutes/>.

Statewide Health Coordinating Council (SHCC)

No scheduled meeting/Did not meet in June

Next meeting scheduled for Wednesday, July 29, 2026

For a complete list of available meeting minutes go to <https://health.hawaii.gov/shpda/public-meeting-minutes/>.

Statewide Health Coordinating Council-Plan Development Committee (PDC)

No scheduled meeting/Did not meet in June

Next meeting has not been scheduled

For a complete list of available meeting minutes go to <https://health.hawaii.gov/shpda/public-meeting-minutes/>.

Advisory Councils

Health Data Advisory Council

Keiki Advisory Council (Discontinued)

Kupuna Advisory Council

Universal Access Advisory Council

Data No scheduled meeting/Did not meet in June
Next meeting has not been scheduled

Kupuna No scheduled meeting/Did not meet in June
Next meeting has not been scheduled

Universal Access No scheduled meeting/Did not meet in June
Next meeting has not been scheduled

For a complete list of available meeting minutes go to <https://health.hawaii.gov/shpda/public-meeting-minutes/>.

Prior Authorization Working Group (PAWG)

No scheduled meeting/Did not meet in June

Next meeting scheduled for Monday, July 13, 2026

For a complete list of available meeting minutes go to <https://health.hawaii.gov/shpda/public-meeting-minutes/>.

Health System Reform

Aloha,

June 2025 did not evidence major shifts in health system reform in terms of new policy, but the impacts of HR1 (the Big 'Not-so Beautiful Bill) continue to be a major source of frustration and debate here.

HR1 will have very negative impacts on AHEAD hospital global budgets (HGBs), although SHPDA and Med-QUEST (MQD) are working on means to counter the funding cuts. All Medicaid payments here, which were raised by Med-QUEST with legislative support to currently 130% of Medicare to reduce financial stresses on our providers, now according to HR1 must be phased down over 4 years to 100% of Medicare. This means Hawai'i hospitals, physicians, and providers, already struggling with very low per capita Medicare payment, will now suffer a 30% reduction in Medicaid payment as well. CMS has suggested that they are considering on a plan to provide special assistance to the 6 AHEAD states to remedy this situation, but if that were to occur, it would not be announced until 2027. Nonetheless, we are working on several strategies to try to offset the impact of the cuts by possibly front-loading payment to providers in early years of AHEAD by averaging funding over the 8-year span of the grant where significant inflation of Medicare rates is expected over time. We'll see if CMS can offer other remedies. But the grant is moving forward. AHEAD officially begins implementation in January of 2028.

The Governor's signing (or allowing to become law without signing) of 2 dozen bills SHPDA championed during this past Legislature, most of which we described previously, will provide a number of new programs and services to begin in the next few months despite the financially tight times.

One accomplishment we strongly advocated for over several years was new funding for the UH Cancer Center Early Clinical Trials Center envisioned and advocated for by Cancer Center Director, Dr. Naoto, Ueno MD PhD. Ueno came to lead our Cancer Center from MD Anderson in Texas, where his oncology leadership was recognized nationally and globally. The Center recently opened, and SHPDA was asked to make remarks to celebrate this major progress at the festive event. The new center allows patients to participate in Phase I and Phase II trials at the Center on the JABSOM campus without traveling to the mainland. Besides the convenience, it has the potential to save many lives of cancer patients here. It is a huge and innovative leap forward for UH and Hawai'i; and we believe these early-phase research benefits Could soon extend to our neighbor islands as well – the new rural health funding could possibly be applied to that if CMS agrees. Our diverse population should attract significant significant new investment here from NIH, pharma, and even device manufacturers over time.

Health System Reform (continued)

The Rural Health Transformation Program is also moving forward expeditiously. SHPDA alone has over \$70M to award in contracts. This first year of funding must be encumbered in contracts before the end of September to prevent funding being clawed back and redistributed to other states. Obviously, this is difficult; but we will get it done. And done well. SHPDA will be expanding our staff with 2 new federally funded positions for Rural Health. We are also grateful for the addition of Wanda Anae-Onishi, who comes to our small team of 8 as part of the re-organization of the DOH Office of Planning, Policy, and Program Development.

We note also that Prior Authorization and additional funding for primary care clinicians and services will be two very important areas of focus in the 2027 Legislature. We are preparing. And we recently issued a large contract to some highly respected economists at UC Berkeley Petris Center to develop strategies and policy ammunition for our Governor and our Congressional Delegation to justify to Congress raising our Medicare benchmark (per capita rates) to the national average as soon as possible.

Finally, SHPDA and the AG are seeking additional information from the HMSA-HPH applicant for the One Health Hawai'i proposed vertical integration. Once deemed complete, we will post the application, schedule a statewide public hearing and proceed to review it over the summer.

A lot is happening; but a lot more needs to happen!

Mahalo, Jack Lewin MD

Research and Statistics

SHPDA's annual Healthcare Utilization Survey was due on May 31, 2026. As of June 30, 2026, the response rate was at 93.5%. The Maui Health System requested an extension of survey submission for its three facilities affected by the Kona Low storms. The research statistician continues to contact a few facilities for their surveys, while working to compile the survey data into the annual Healthcare Utilization Report.

As required by the 2025 Act 151, SHPDA started to collect information on the prior authorization of healthcare services in January 2026. The preliminary reports for calendar years 2024 and 2025 first posted on SHPDA website in March 2026 have since been updated with more information.

The Hawaii Health Data Center (HHDC) Project Team

(Updates will be provided in the February, May, August, and November reports.)

Certificate of Need Applications

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| #25-10 | Pacific Pearl Medical, LLC
Establishment of Positron Emission Tomography/Computed Tomography (PET/CT) scanner services at 800 Kamaaha Avenue, Unit #6 and #7, Kapolei, HI.
Waiting for applicant to submit amendments. |
| #25-11 | Hawaii Island Sober Living, LLC
Establishment of 8 bed Special Treatment Facility at 73-4592 Hawaii Belt Rd., Kailua-Kona, HI.
Approved May 19, 2026. |
| #25-12 | Mana Recovery, LLC
Establishment of 12 bed Special Treatment Facility at 22 Waimahaihai Street, Kihei, HI
Scheduling for reviews in July. |
| #26-03A | Koa Health LLC
Establishment of 8 bed Special Treatment Facility at 2141 Iliili Road, Kihei, HI
Public noticed June 18, 2026. |