



**DEPARTMENT OF THE ATTORNEY GENERAL**

**DAVID Y. IGE**  
GOVERNOR

**DOUGLAS S. CHIN**  
ATTORNEY GENERAL

For Immediate Release  
June 30, 2016

News Release 2016-41

**PARTIES UPDATE 9TH CIRCUIT COURT  
REGARDING MAUI HOSPITALS TRANSITION**

HONOLULU – Attorney General Doug Chin and the United Public Workers union announced today that the parties are discussing settlement of the union’s appeal regarding the transfer of Maui Memorial Medical Center, Kula Hospital and Lanai Community Hospital to a new Kaiser Permanente entity. In a second status report filed with the U.S. Court of Appeals for the 9th Circuit, the parties jointly state that they have engaged in productive conversations regarding a possible resolution.

**Attorney General Chin** said, “The 9th Circuit issued an order on June 17, 2016, allowing transition activities between the State and Kaiser to resume at the Maui hospitals. The transition to Kaiser will ultimately improve patient care in the Maui region.”

The parties asked the Court to require a further joint status report on July 15, 2016.

The second joint status report filed today is attached.

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**No. 16-15219**

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**IN THE UNITED STATES COURT OF APPEALS  
FOR THE NINTH CIRCUIT**

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UNITED PUBLIC WORKERS,  
Plaintiff-Appellant,

v.

DAVID Y. IGE, IN HIS OFFICIAL CAPACITY AS GOVERNOR  
OF THE STATE OF HAWAI‘I,  
Defendant-Appellee.

On appeal from the United States District Court  
for the District of Hawai‘i

Civ. No. 1:15-CV-00303-HG-KSC (Hon. H. Gillmor, J.)

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**PARTIES’ SECOND JOINT STATUS REPORT**

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## **PARTIES' SECOND JOINT STATUS REPORT**

As ordered by this Court on June 17, 2016, United Public Workers, Plaintiff-Appellant (Union) and Governor David Y. Ige, Defendant-Appellee, jointly submit this second joint status report.

The parties continue to engage in productive discussions regarding settlement. Additional time is necessary for negotiations because implementation of Act 103 has many moving parts. Though the appeal before this Court only involves the parties, a settlement of this case would impact entities outside the lawsuit. This includes, for example, Maui Health System, a Kaiser Foundation Hospitals LLC that will manage and operate the affected hospitals if the transaction is allowed to close; and the Hawai'i Government Employees Association (HGEA), the other public-sector union with employee-members affected by Act 103.

The parties therefore request, consistent with their ongoing discussions, that this Court order the filing of a third joint status report on or before Friday, July 15, 2016 to report on whether a settlement was reached.

The parties believe that they can arrive at a settlement through their current efforts. It is possible, however, that further settlement negotiations may benefit from the Ninth Circuit mediator's assistance. At present the parties seek only to bring this possibility to the Court's attention and reduce delay in the future should

formal mediation prove necessary. The parties do not presently request that the appeal be referred to the mediation program.

In addition to the status report, the parties jointly request that: (1) the narrowed injunction issued June 17, 2016 remain as is; (2) the current expiration date for that narrowed injunction (Sept. 30, 2016, unless sooner lifted by the Court) remain unchanged for now; and (3) that the Court continue to defer further review and consideration of the Governor's emergency motion filed on May 20, 2016, pending the filing of the parties' next Joint Status Report. These requests are consistent with this Court's most recent order on June 17, 2016.

DATED: Honolulu, Hawai'i; and San Francisco, California, June 30, 2016.

Respectfully submitted,

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### **CERTIFICATE OF SERVICE**

I hereby certify that on June 30, 2016, a copy of Parties' Second Joint Status Report was duly served via CM/ECF of the Ninth Circuit Court of Appeals upon the following:

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DATED: Honolulu, Hawai'i, June 30, 2016.

/s/ Douglas S. Chin

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