



DEPARTMENT OF THE ATTORNEY GENERAL

DAVID Y. IGE
GOVERNOR

DOUGLAS S. CHIN
ATTORNEY GENERAL

**JOINT STATUS REPORT ASKS 9TH CIRCUIT TO ALLOW
TRANSITION ACTIVITIES TO RESUME AT 3 MAUI HOSPITALS**

For Immediate Release
June 15, 2016

News Release 2016-33

HONOLULU – Attorney General Doug Chin and the United Public Workers union today filed a status report in the 9th Circuit Court of Appeals as required by a prior court order in United Public Workers v. Ige. The report states that the parties are having productive conversations regarding a possible resolution and that Governor Ige is asking the 9th Circuit to allow transition activities to resume at the affected Maui hospitals – Maui Memorial Medical Center, Kula Hospital and Lanai Community Hospital. UPW does not oppose Governor Ige’s request.

Attorney General Chin explained, “Governor Ige’s top priority is to protect patients in the Maui region hospitals. To my mind, the hospitals, unions, Kaiser and other stakeholders are all hopeful that discussions with UPW might lead to an agreement without court intervention.”

In 2015, the state legislature passed a law ending the Hawaii Health Systems Corporation’s delivery of health care services at the three Maui facilities and transferring service delivery to a private operator. Earlier this year, the Hawaii Health Systems Corporation board and its regional board signed an agreement to transition the Maui hospitals to a new Kaiser entity, Maui Health Systems. United Public Workers sued to stop the transition from taking place. On February 19, 2016, United States District Court Judge Helen Gillmor ruled in favor of the State, and UPW appealed to the federal 9th Circuit Court. On May 17, 2016, the 9th Circuit Court ordered the State to temporarily stop all activities related to the transition until September 30, 2016, unless sooner terminated by the Court.

“By agreement, we are asking the 9th Circuit to let transition activities with Kaiser resume, but to not allow the State to unilaterally change the status of UPW’s members affected by this transition, or to close the transaction, while the parties negotiate,” **Chin** said. “Ultimately, the State is committed to an orderly and safe transition to Kaiser’s operation of the Maui region hospitals.”

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The parties asked the Court to require a further joint status report on June 30, 2016.

The joint status report filed today is attached.

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For more information, contact:

Joshua A. Wisch
Special Assistant to the Attorney General
(808) 586-1284
Joshua.A.Wisch@hawaii.gov
<http://ag.hawaii.gov>

No. 16-15219

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

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.)

PARTIES’ JOINT STATUS REPORT

DOUGLAS S. CHIN 6465
Attorney General of Hawai‘i
DEIRDRE MARIE-IHA 7923
RICHARD H. THOMASON 5140
Deputy Attorneys General
425 Queen St.,
Honolulu, Hawai‘i 96813
Tel. (808) 586-1292
Tel. (808) 587-2900

Attorneys for Defendant-Appellee

SCOTT KRONLAND
STACEY M. LEYTON
CONNIE K. CHAN
ALTSHULER BERZON LLP
177 Post St., Suite 300
San Francisco, California, 94108
Tel. (415) 421-7151

HERBERT TAKAHASHI
REBECCA L. COVERT
TAKAHASHI & COVERT
345 Queen St., Rm. 506
Honolulu, Hawaii, 96813
Tel. (808) 526-3003

Attorneys for Plaintiff-Appellant

PARTIES' JOINT STATUS REPORT

As ordered by this Court on June 2, 2016, United Public Workers, Plaintiff-Appellant (Union) and Governor David Y. Ige, Defendant-Appellee, jointly submit this status report.

The parties report that they are presently engaged in productive discussions regarding a possible settlement of this case. To facilitate this process, Governor Ige agrees that he will request that this Court narrow the injunction pending appeal, as described below, and the Union agrees that it will not oppose this request during the time period of these discussions regarding a possible settlement. The parties also jointly request that the Court order the parties to file another joint status report with the Court no later than June 30, 2016.

As to the first part of this request, Governor Ige requests (and the Union does not oppose pending these discussions regarding a possible settlement) that this Court narrow the injunction pending appeal issued on May 17, 2016, as modified by the order of June 2, 2016 (Injunction), so that Governor Ige, and those acting in concert with him, are enjoined only from “unilaterally changing the public employment status, or the rights and benefits of UPW’s bargaining unit members affected by 2015 Haw. Sess. L. Act 103, or from closing the transaction authorized by 2015 Haw. Sess. L. Act 103.” In making this request, Governor Ige does not concede any of his arguments relevant to the merits of this appeal. As

narrowed in this fashion, other activities contemplated in preparation for the implementation of Act 103 would not be enjoined. This will facilitate the parties' efforts to settle this matter. The parties request that the current expiration date for the Injunction (Sept. 30, 2016, unless sooner lifted by the Court) remain unchanged for now, and 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.

DATED: Honolulu, Hawai'i; and San Francisco, California, June 15, 2016.

Respectfully submitted,

/s/ Douglas S. Chin
DOUGLAS S. CHIN 6465
Attorney General of Hawai'i
DEIRDRE MARIE-IHA 7923
RICHARD H. THOMASON 5140
Deputy Attorneys General

Attorneys for Defendant-Appellee

/s/ Scott Kronland
SCOTT KRONLAND
STACEY M. LEYTON
CONNIE K. CHAN
ALTSHULER BERZON LLP
177 Post St., Suite 300
San Francisco, California, 94108
Tel. (415) 421-7151

HERBERT TAKAHASHI
REBECCA L. COVERT
TAKAHASHI & COVERT
345 Queen St., Rm. 506
Honolulu, Hawaii, 96813
Tel. (808) 526-3003

Attorneys for Plaintiff-Appellant

CERTIFICATE OF SERVICE

I hereby certify that on June 15, 2016, a copy of Parties' Joint Status Report was duly served via CM/ECF of the Ninth Circuit Court of Appeals upon the following:

HERBERT R. TAKAHASHI, ESQ.
REBECCA L. COVERT, ESQ.
rcover@hawaii.rr.com
Takahashi and Covert
345 Queen Street, Room 506
Honolulu, Hawai'i 96813
Telephone No.: (808) 526-3003
Facsimile No.: (808) 531-9894

SCOTT A. KRONLAND, ESQ.
CONNIE K. CHAN, ESQ.
skronland@altshulerberzon.com
cchan@altber.com
Altshuler Berzon LLP
177 Post Street, Suite 300
San Francisco, California 94108
Telephone No.: (415) 421-7151
Facsimile No.: (415) 362-8064

DATED: Honolulu, Hawaii, June 15, 2016.

/s/ Douglas S. Chin
Douglas S. Chin