

STAND. COM. REP. NO.

3065

Honolulu, Hawaii

MAR 24 2006

RE: H.B. No. 3116  
H.D. 2  
S.D. 1

Honorable Robert Bunda  
President of the Senate  
Twenty-Third State Legislature  
Regular Session of 2006  
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 3116, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII CHILDREN'S HEALTH CARE PROGRAM,"

beg leave to report as follows:

The purpose of this measure is to ensure health care coverage for all of Hawaii's children by creating the Hawaii Children's Health Care Program.

Your Committees find that there is a gap group of uninsured children in the State who are ineligible for any state or federal health care coverage. This measure would provide them with health insurance coverage under certain circumstances. Your Committees find that the Hawaii Children's Health Care Program would cover preventive services, immunizations, diagnostic tests, emergency care, and dental and mental health services, along with some prescription coverage.

Specifically, this measure establishes a three-year pilot program of health care coverage for children between three months and eighteen years of age who are ineligible for any other state or federal health care coverage, thereby reducing the adverse effects of preventable and treatable illnesses on the children's growth and development. The State, through the Department of Human Services and a mutual benefit society will share the



premiums equally with the mutual benefit society for the health care coverage it provides.

Your Committees received testimony in support of the measure from the Good Beginnings Alliance, the Hawaii Medical Service Association (HMSA), and the Hawaii Primary Care Association. Your Committees received testimony in opposition to the measure from the Department of Commerce and Consumer Affairs. The Attorney General and the Department of Human Services submitted comments regarding this measure.

Your Committees also heard testimony regarding the recent approval of the State's Medicaid waiver proposal. The Section 1115 waiver expands the QUEST program's income eligibility requirements to allow families earning up to two hundred fifty percent of the federal poverty level to receive free health insurance for their children. The waiver also reduces the monthly premiums according to a sliding scale for children whose families' income is between two hundred fifty and three hundred percent of the federal poverty level.

Accordingly, your Committees have amended this measure to allow otherwise qualified children whose family income is between two hundred fifty and three hundred percent of the federal poverty level coverage through QUEST Net, with a prorated premium, or through the Hawaii Children's Health Care Plan at no charge.

Your Committees have further amended this measure by:

- (1) Eliminating its residency requirement;
- (2) Specifying that the mutual benefit society shall be responsible for determining eligibility and enrolling participants in the pilot program;
- (3) Expanding coverage to include children from thirty-one days old through age eighteen;
- (4) Clarifying that infants between thirty-one days and six months of age shall be required to have been uninsured continually since birth to be eligible for coverage through the Hawaii Children's Health Plan; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and style.



As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 3116, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 3116, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committees on Human Services  
and Health,

  
\_\_\_\_\_  
ROSALYN H. BAKER, Chair

  
\_\_\_\_\_  
SUZANNE CHUN OAKLAND, Chair





**The Senate  
Twenty-Third Legislature  
State of Hawaii**

**Record of Votes of the  
Committee on Health  
(Bills and Resolutions)**

|   |  |                         |          |          |
|---|--|-------------------------|----------|----------|
| Measure:*<br><i>HB 3116 HD 2</i>  | Committee Referral:<br><i>HMS/HTH, WAM</i> | Date:<br><i>3/15/06</i> |          |          |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____   |  |                         |          |          |
| The Recommendation is to:<br><input type="checkbox"/> Pass, unamended (2312) <input checked="" type="checkbox"/> Pass, with amendments (2311) <input type="checkbox"/> Hold (2310) <input type="checkbox"/> Recommit (2313) |  |                         |          |          |
| Members   | Ayes                                       | Ayes(WR)                | Nays     | Excused  |
| BAKER, Rosalyn H. (C)   | ✓  |                         |          |          |
| CHUN OAKLAND, Suzanne (VC)  | ✓  |                         |          |          |
| HANABUSA, Colleen   |  |                         |          | ✓        |
| TSUTSUI, Shan S.  | ✓  |                         |          |          |
| WHALEN, Paul  |  |                         |          | ✓        |
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| TOTAL   | <i>3</i>                                   | <i>0</i>                | <i>0</i> | <i>✓</i> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted  |  |                         |          |          |
| Chair's or Designee's Signature:<br>  |  |                         |          |          |
| Distribution:             Original             Yellow             Pink             Goldenrod<br>File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy           |  |                         |          |          |

\*Do not list more than one measure per Record of Votes.