

STAND. COM. REP. NO.

3618

Honolulu, Hawaii

APR 11 2006

RE: S.C.R. No. 77  
S.D. 2

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

Sir:

Your Committee on Commerce, Consumer Protection, and Housing,  
to which was referred S.C.R. No. 77, S.D. 1, entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE  
REFERENCE BUREAU TO CONDUCT A STUDY OF RECOMMENDED PROCEDURES  
THAT WILL ENSURE THAT STATE-FUNDED HEALTH CARE PAYMENTS  
ADEQUATELY REIMBURSE PROVIDERS WHO PROVIDE SERVICES FOR  
MEDICAID OR QUEST RECIPIENTS FOR THE ACTUAL COSTS OF HEALTH  
CARE SERVICES,"

begs leave to report as follows:

The purpose of this measure is to request the Legislative  
Reference Bureau to conduct a study of recommended procedures that  
will ensure adequacy of state health care reimbursements to  
providers who provide services for Medicaid or QUEST recipients  
for the actual costs of health care services.

Testimony in support of this measure was submitted by  
Healthcare Association of Hawaii, Kaiser Permanente, Hawaii  
Pacific Health, the Hawaii Business Roundtable, and the Hawaii  
Long Term Care Association. The Legislative Reference Bureau  
submitted comments on this measure.

Your Committee finds that the State pays for a considerable  
amount of health care and controls certain types of payments for  
health care made to providers. Your Committee further finds that  
it is in the public interest to ensure that these health care  
payments made with state funds or controlled by the State are

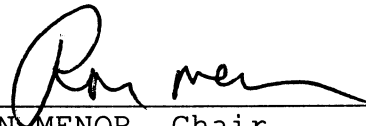


sufficient to cover the actual costs of care in the Medicare or QUEST context and under the workers compensation insurance system.

Accordingly, your Committee has amended this measure by requesting that the Legislative Reference Bureau conduct two studies that examine payments to providers of health care services: one for Medicaid or QUEST recipients and another for injured employees under workers compensation insurance. Your Committee further amended this measure by requesting that the Legislative Reference Bureau submit these two studies on a staggered basis prior to the Regular Sessions of 2007 and 2008.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Housing that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 77, S.D. 1, as amended herein, and recommends its adoption in the form attached hereto as S.C.R. No. 77, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Commerce, Consumer  
Protection, and Housing,



RON MENOR, Chair



