

STAND. COM. REP. NO.

532

Honolulu, Hawaii

Feb 7 16, 2007

RE: H.B. No. 104
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Sir:

Your Committees on Human Services & Housing and Health, to which was referred H.B. No. 104 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this bill is to more adequately reimburse health care providers who serve Medicaid clients by:

- (1) Updating to the 2006 Medicare fee schedule the basis used for establishing the Hawaii Medicaid fee schedule;
- (2) Requiring the rates under the Medicaid fee schedule to be adjusted annually for inflation;
- (3) Appropriating \$26,000,000 for payments to Medicaid fee-for-service providers, retroactive to 2001; and
- (4) Appropriating funds to increase the Medicaid fee schedule to 100 percent of the 2006 Medicare fee schedule.

The Hawaii Medical Service Association, Hawaii Primary Care Association, Chamber of Commerce of Hawaii, Hawaii Medical Association, Kaiser Permanente, and Hawaii Pacific Health (HPH) testified in support of this bill. The Department of Human Services (DHS) opposed this measure.

HB104 HD1 HSCR HSH-HLT HMS 2007-2141



Your Committees recognize that DHS provided information to the Committees on the amount required to cover retroactive payment increases for the 2006 and 2007 fiscal years: \$23,150,213, of which \$9,827,265 is the State's share, and \$13,322,948 is federally matched funds. Your Committees also received information from HPH that the increases could amount up to \$31,000,000, of which \$13,508,898 are State funds and \$17,491,102 are federal funds, and respectfully request DHS to collaborate with HPH to ensure the correct amount of funding is being requested.

Accordingly, your Committees have amended this bill by:

- (1) Changing the appropriation for Medicaid fee-for-service practitioners to \$23,150,213 to cover payments during fiscal biennium 2005-2007; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services & Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 104, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 104, H.D. 1, and be referred to the Committee on Finance.

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



JOSHUA B. GREEN, M.D., Chair




MAILE SHIMABUKURO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Human Services & Housing

Bill/Resolution No.: HB 104	Date: 2/5/07 2/12/07			
Committee Referral: HSH / HLT, FIN	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.			
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommittal for further consideration				
HSH Members	Ayes	Ayes (WR)	Nays	Excused
1. SHIMABUKURO, Maile S. L. (C)	✓			
2. RHOADS, Karl (VC)	✓			
3. BELATTI, Della Au	✓			
4. BERTRAM, Joe, III				✓
5. CABANILLA, Rida T.R.	✓			
6. GREEN, Josh, M.D.	✓			
7. MIZUNO, John	✓			
8. TAKAI, K. Mark	✓			
9. TOKIOKA, James Kunane	✓			
10. AWANA, Karen Leinani	✓			
11. WARD, Gene, Ph.D.	✓			
TOTAL	10			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				

HB CR 532

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Health

Bill/Resolution No.: HB 104		Date: 2-12-07		
Committee Referral: HSA/HLT, FIN		<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.		
The recommendation is to: <input type="checkbox"/> Pass, unamended <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Hold <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. GREEN, Josh, M.D. (C)	✓			
2. MIZUNO, John (VC)	✓			
3. BELATTI, Della Au	✓			
4. BERTRAM, Joe, III				✓
5. CABANILLA, Rida T.R.	✓			
6. RHOADS, Karl	✓			
7. SHIMABUKURO, Maile S. L.	✓			
8. TAKAI, K. Mark	✓			
9. TOKIOKA, James Kunane	✓			
10. AWANA, Karen Leinani	✓			
11. WARD, Gene, Ph.D.	✓			
TOTAL	10			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>John M. ...</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Clerk's Office				