

STAND. COM. REP. NO.

895

Honolulu, Hawaii

March 2, 2007

RE: H.B. No. 104  
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 104, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to improve access to medical care by:

- (1) Establishing a process by which Medicaid fee-for-service individual provider reimbursement rates are increased annually for inflation;
- (2) Retroactively adjusting for inflation payments made to providers of hospital outpatient services and other individual providers to account for the lack of a rate increase for the past five years; and
- (3) Appropriating funds to increase the Medicaid fee schedule to 100 percent of the 2006 Medicare fee schedule for fiscal biennium 2007-2009.

The Healthcare Association of Hawaii, Hawaii Primary Care Association, Hawaii Medical Association, Kaiser Permanente, and Hawaii Chapter - American Physical Therapy Association supported this bill. Hawaii Pacific Health and The Chamber of Commerce of Hawaii supported this measure with amendments. The Department of Human Services opposed this bill.

HB104 HD2 HSCR FIN HMS 2007-2511

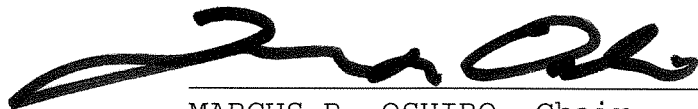


Your Committee has amended this bill by:

- (1) Removing the specific appropriation for adjusting for inflation payments made to Medicaid fee-for-service practitioners during fiscal biennium 2005-2007;
- (2) Deleting the specific percentage amount tied to the Medicaid fee schedule;
- (3) Changing the effective date to July 1, 2020, to facilitate further discussion; and
- (4) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 104, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 104, H.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,



MARCUS R. OSHIRO, Chair



State of Hawaii  
House of Representatives  
The Twenty-fourth Legislature

HSCR 895

**Record of Votes of the Committee on Finance**

Bill/Resolution No.: <b>HB 104 HD1</b>		Date: <b>2/22/07</b>		
Committee Referral: <b>HSR/HLT, FIN</b>		<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				
<b>FIN Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. OSHIRO, Marcus R. (C)	/			
2. LEE, Marilyn B. (VC)	/			
3. BELATTI, Della Au	/			
4. BROWER, Tom	/			
5. CARROLL, Mele	/			
6. CHONG, Pono	/			
7. HANOHANO, Faye P.	/			
8. HAR, Sharon E.	/			
9. MAGAOAY, Michael Y.	/			
10. MANAHAN, Joey	/			
11. MIZUNO, John	/			
12. NAKASONE, Bob	/			
13. RHOADS, Karl	/			
14. SAGUM, Roland D., III	/			
15. TOKIOKA, James Kunane	/			
16. AWANA, Karen Leinani	/			
17. MEYER, Colleen Rose	/			
18. WARD, Gene, Ph.D.	/			
<b>TOTAL</b>	<b>18</b>	<b>0</b>	<b>0</b>	<b>0</b>
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <small style="margin-left: 100px;">committee acronym(s)</small>				
Vice Chair's or designee's signature: <i>Marilyn B. Lee</i>				
<b>Distribution:</b> Original (White) – Committee    Duplicate (Yellow) – HMSO    Duplicate (Pink) – Clerk's Office				