

STAND. COM. REP. NO. 1839

Honolulu, Hawaii

Aj-05, 2007

RE: S.B. No. 1672
S.D. 2
H.D. 3

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 S.B. No. 1672, S.D. 2, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to meet rising health care costs and ensure that Hawaii's residents have continued access to quality health care by:

- (1) Establishing a process by which Medicaid fee-for-service individual provider reimbursement rates are increased annually for inflation; and
- (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.

The Hawaii Primary Care Association, Hawaii Medical Service Association, Queen's Medical Center, Hawaii Pacific Health, Hawaii Chapter of the American Physical Therapy Association, and the Chamber of Commerce of Hawaii supported this bill. The Healthcare Association of Hawaii supported this measure with amendments. The Department of Human Services submitted comments.

SB1672 HD3 HSCR FIN HMS 2007-3525




Your Committee has amended this bill by:

- (1) Removing provisions that retroactively adjusted for inflation, payments made to providers of hospital outpatient services and other individual providers;
- (2) Inserting unspecified appropriation amounts for:
 - (A) Increasing the Medicaid fee schedule; and
 - (B) The state portion of the Medicaid federal disproportionate share hospital allowance;
- (3) Changing the effective date to July 1, 2020, to encourage 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 S.B. No. 1672, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1672, S.D. 2, H.D. 3.

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


MARCUS R. OSHIRO, Chair



HSCR 1839

State of Hawaii
House of Representatives
The Twenty-fourth Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: <i>SB 1672 SD2, HD2</i>	Date: <i>3/29/07</i>
Committee Referral: <i>HSH/HOT, JUD, FIN</i>	<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.
The recommendation is to:	<input type="checkbox"/> Pass, unamended <input type="checkbox"/> Hold <input checked="" type="checkbox"/> Pass, with amendments <input type="checkbox"/> Pass, with amendments, for recommitment for further consideration

FIN Members	Ayes	Ayes (WR)	Nays	Excused
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.	✓			
TOTAL	<i>14</i>	<i>0</i>	<i>0</i>	<i>4</i>

The recommendation is: Adopted
 Not Adopted

If joint referral, _____ did not support recommendation.
 committee acronym(s)

Vice Chair's or designee's signature: *Maui 3. Lee*

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