

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1008
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Human Services and Public Housing and Health, to which was referred H.B. No. 1008, H.D. 2, entitled:

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

beg leave to report as follows:

The purpose of this measure is to:

- (1) Create a three-year pilot program that requires the Department of Human Services to pay half of the health care premiums for coverage provided by a managed care plan for uninsured children who are thirty-one days to eighteen years of age and who are ineligible for other state or federal health care coverage;
- (2) Provide children of families whose income is at or below three hundred per cent of the federal poverty level with free medical care by expanding the State's QUEST-Net eligibility requirements;
- (3) Establish a Hawaii Infant Care Special Fund to provide health care to infants from birth to thirty-one days of age through a matching fund, public-private partnership with the Department of Health; and
- (4) Appropriate funds for the purposes of the measure.



The Hawaii Medical Service Association, the Hawai'i Primary Care Association, the Hawaii Family Forum, Hawaii Pacific Health, and Good Beginnings Alliance submitted testimony in support of this measure. The Department of Human Services submitted testimony in support of the intent of this measure. The Attorney General submitted comments.

Your Committees find that there is a gap group of uninsured children in the State that is ineligible for any state or federal health care coverage. Your Committees further find that children who remain uninsured typically do not receive an appropriate level of medical care. The State has an opportunity to help provide health care coverage for children in the gap group through public-private partnerships.

It is your Committees' intent to expand health care coverage for children in Hawaii. Your Committees have amended this measure by:

- (1) Deleting all of its provisions;
- (2) Inserting the provisions of S.B. No. 1918, S.D. 2;
- (3) Making changes to, among other things:
 - (A) Provide health care services to uninsured newborn children who are one, but not more than thirty days of age by establishing the Hawaii Infant Health Care Program as a temporary, three-year pilot program;
 - (B) Provide health care coverage to certain children who are at least thirty-one days, but less than nineteen years old through a public-private partnership between the Department of Human Services and one or more managed care plans;
 - (C) Provide that certain children shall be eligible for enrollment into the program without being subject to the six month uninsured requirement;
 - (D) Provide access to medical care free-of-charge for certain children less than nineteen years of age whose family income is at or below three hundred per cent of the federal poverty level;



- (E) Provide medical assistance under QUEST-Net at no charge to children less than nineteen years of age whose family income is above two hundred fifty per cent and does not exceed three hundred per cent of the federal poverty level for Hawaii and who are otherwise eligible for QUEST-Net benefits;
 - (F) Ensure that the programs, and any reimbursements or premium payments made pursuant thereto, are subject to the appropriation of general funds; and
 - (G) Clarify that this measure is not intended to discourage employers from offering to pay, or from paying for, dependent coverage for their employees, or to supplant employer-sponsored dependent coverage plans;
- (4) Appropriating the following sums:
- (A) \$250,000 for fiscal year 2007-2008, and \$500,000 for fiscal year 2008-2009, for the Hawaii Infant Health Care Program;
 - (B) \$535,500 for fiscal year 2007-2008, and \$1,071,000 for fiscal year 2008-2009, for the Hawaii Children's Health Care Program;
 - (C) \$109,310 for fiscal year 2007-2008, and \$218,620 for fiscal year 2008-2009, for free medical care for certain children less than nineteen years of age whose family income is at or below three hundred per cent of the federal poverty level;
 - (D) \$428,500 for fiscal year 2007-2008, and \$857,000 for fiscal year 2008-2009, to provide medical assistance under QUEST-Net at no charge to certain children who are less than nineteen years of age;
 - (E) \$77,760 for fiscal year 2007-2008, and the same sum for fiscal year 2008-2009, for three full-time equivalent permanent (3.00 FTE) Eligibility Worker I positions;



- (F) \$100,000 for fiscal year 2007-2008 to, among other things, purchase computer equipment, office furniture, and other office supplies and equipment necessary to implement sections of the measure;
- (5) Making the measure effective upon July 1, 2007; provided that on June 30, 2010, it shall be repealed and section 346-59.4, Hawaii Revised Statutes, shall be reenacted in the form in which it read before the approval of this measure; and
- (6) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Public Housing and Health that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1008, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1008, 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 Public Housing and Health,



DAVID Y. IGE, Chair



SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii


Record of Votes
Committee on Human Services and Public Housing
HSP

Bill / Resolution No.:* HB 100 & HDZ	Committee Referral: HSP/HTH, WAM	Date: 3-20-07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <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	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
HOOSER, Gary L.				✓
SAKAMOTO, Norman				✓
HEMMINGS, Fred	✓			
TOTAL	3	0	0	2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes

The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:
HB 1008 HD2	HSP/HTH, WAM	03/20/2007
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____		
The Recommendation is:		
<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	Aye	Aye (WR)
Nay	Excused	
IGE, David Y. (C)	✓	
FUKUNAGA, Carol (VC)	✓	
BAKER, Rosalyn H.	✓	
MENOR, Ron		✓
WHALEN, Paul		✓
TOTAL	3	2
Recommendation:		
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
		
Distribution:		
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency

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