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## A BILL FOR AN ACT

RELATING TO MEDICAID.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that provider  
2 reimbursements under the federal Medicare and Medicaid Programs  
3 do not adequately compensate physicians for their services and  
4 are contributing to the health care crisis in Hawaii. However,  
5 where medicare reimbursements are set by the Federal Government,  
6 Hawaii has the ability to increase reimbursements under  
7 medicaid.

8           The purpose of this Act is to provide fairer levels of  
9 compensation for individual practitioners who participate in the  
10 medicaid program, by increasing the rates of reimbursement under  
11 the Hawaii medicaid fee schedule.

12           SECTION 1. Section 346-59, Hawaii Revised Statutes, is  
13 amended by amending subsection (b) to read as follows:

14           "(b) Rates of payment to providers of medical care who are  
15 individual practitioners, including doctors of medicine,  
16 dentists, podiatrists, psychologists, osteopaths, optometrists,  
17 and other individuals providing services, shall be based upon  
18 the Hawaii medicaid fee schedule. The amounts paid shall not



1 exceed the maximum permitted to be paid individual practitioners  
2 or other individuals under federal law and regulation, the  
3 medicare fee schedule for the current year, the state limits as  
4 provided in the appropriation act, or the provider's billed  
5 amount.

6 The appropriation act shall indicate the percentage of the  
7 medicare fee schedule for the year [~~2000~~] 2006 to be used as the  
8 basis for establishing the Hawaii medicaid fee schedule. For  
9 any subsequent adjustments to the fee schedule, the legislature  
10 shall specify the extent of the adjustment in the appropriation  
11 act."

12 SECTION 2. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$ or so much  
14 thereof as may be necessary for fiscal year 2007-2008 and the  
15 sum of \$ or so much thereof as may be necessary for  
16 fiscal year 2008-2009 to increase the medicaid fee schedule to  
17 per cent of the 2006 medicare fee schedule.

18 The sums appropriated shall be expended by the department  
19 of human services for the purposes of this Act.

20 SECTION 3. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



# H.B. NO. 360

1 SECTION 4. This Act shall take effect on July 1, 2007.

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**Report Title:**

Medicaid Fee Schedule; Medicaid Fee-For-Service Providers

**Description:**

Increases the rates of reimbursement of individual practitioners providing medicaid services. Appropriates funds.

