

STAND. COM. REP. NO. 32

Honolulu, Hawaii

Feb 2, 2007

RE: H.B. No. 223  
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 Health and Human Services & Housing, to which was referred H.B. No. 223 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE SERVICES,"

beg leave to report as follows:

The purpose of this bill is to support Hawaii's health care safety-net by earmarking general excise tax revenues generated by health care services to support, among other services, hospital and emergency services as well as services for the uninsured.

The Hawaii Health Systems Corporation, Hawaii Government Employees Association, ILWU Local 142, Queen's Medical Center, Hawaii Primary Health Care Association, and Hawaii Pacific Health supported this bill. The Healthcare Association of Hawaii supported this measure with amendments. The Chamber of Commerce of Hawaii supported the intent of this bill. The Department of Budget and Finance opposed this measure. The Department of Taxation, Department of Health (DOH), and Tax Foundation of Hawaii submitted comments on this bill.

Your Committees have amended this bill by, among other things:

- (1) Naming the Act the "Health Care Reinvestment Act";

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- (2) Designating that moneys collected from general excise tax revenues generated by health care services go toward supporting:
  - (A) Trauma services;
  - (B) Health care workforce development for medically underserved areas of the state;
  - (C) Improved statewide aeromedical transport systems;
  - (D) Rural hospitals;
  - (E) Medical malpractice subsidies for subspecialists;
  - (F) Reimbursements for health care providers services rendered to Medicaid patients;
  - (G) The Department of Human Services' (DHS) Keiki Care Program; and
  - (H) Subsidies for part-time worker insurance plans for people who do not qualify for employer-provided health insurance under the Prepaid Health Care Act;
- (3) Establishing the Health Care Reinvestment Fund administered by DOH;
- (4) Establishing the Health Insurance Support Special Fund administered by DHS;
- (5) Deleting the First Response Health Care Services Special Fund;
- (6) Deleting the Essential Health Care Services Special Fund; and
- (7) Making technical, nonsubstantive changes for clarity, consistency, and style.



As affirmed by the records of votes of the members of your Committees on Health and Human Services & Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 223, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 223, H.D. 1, and be referred to the Committee on Labor & Public Employment.

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



MAILE SHIMABUKURO, Chair



JOSHUA B. GREEN, M.D., Chair





