

STAND. COM. REP. NO.

990

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 1918  
S.D. 2

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

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1918, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to expand health care coverage for children in Hawaii.

Specifically, this measure will:

- (1) Provide continuous, quality health care services to uninsured newborn children between one and thirty-one days of age;
- (2) Provide health care coverage to certain children between thirty-one days to eighteen years old through a public-private partnership between the Department of Human Services and a managed care plan;
- (3) Provide access to free medical care for certain children nineteen years of age or younger whose family income is at or below three hundred per cent of the federal poverty level;
- (4) Provide medical assistance under QUEST-Net at no charge to children nineteen years or younger whose family income is at or 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; and

- (5) Provide funding.

Hawaii Medical Services Association, Hawaii Pacific Health, and Hawaii Family Forum submitted comments in support of this measure. The Department of Budget and Finance submitted comments in opposition to this measure. The Attorney General, Hawaii Primary Care Association, and the Department of Human Services submitted comments on this measure.

Your Committee finds that there is a gap group of uninsured children in the State that is not eligible for any type of state or federal health care coverage. Your Committee further finds that children that 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 this gap group by creating partnerships with private health care insurers and equally dividing the costs of healthcare services.

Your Committee has concerns about language in the bill that requires the Department of Human Services to contract with a private health care provider to create a "dollar for dollar matching funds, public-private partnership" to provide health care services to children that require services exceeding the \$10,000 threshold. In addition, your Committee finds it unnecessary to create the Hawaii infant care special fund. Rather, your Committee finds it more efficient to fund the Hawaii infant care program through appropriations from the general fund.

It is your Committee's intent to expand health care coverage for children in Hawaii. Accordingly, your Committee has amended this measure by:

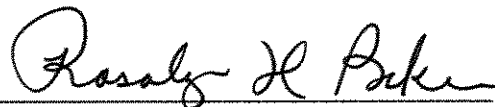
- (1) Replacing the Hawaii infant care special fund in section 2 with the Hawaii infant care program and funding this program with unspecified appropriations from the general fund;
- (2) Specifying the scope of services available to infants under the Hawaii infant care program as the same services available under QUEST;



- (3) Requiring the Department of Human Services, not the Department of Health, to reimburse providers for services under the Hawaii infant care program;
- (4) Removing previous sections 3 and 4, relating to the administration of special funds;
- (5) Adding language to section 3 that specifies that the Hawaii children's health care program is a three-year pilot program;
- (6) Adding language to section 3 that specifies that the Department of Human Services shall ensure that private organizations have the opportunity to participate in the Hawaii children's health care program, provided that they offer benefits equal to those available from a managed care plan licensed in the State;
- (7) Deleting section 8, which makes an appropriation to the Hawaii infant care special fund;
- (8) Changing the sums appropriated to unspecified amounts to facilitate further discussion on this measure;
- (9) Renumbering all remaining sections consecutively; and
- (10) Making technical nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1918, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1918, S.D. 2.

Respectfully submitted on  
behalf of the members of the  
Committee on Ways and Means,




ROSALYN H. BAKER, Chair



The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1918 SDI	HSP/HTH, WAM	2/20/07		
<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
BAKER, Rosalyn H. (C)	/			
TSUTSUI, Shan S. (VC)	/			
CHUN OAKLAND, Suzanne	/			
ENGLISH, J. Kalani	/			
FUKUNAGA, Carol	/			
HOOSER, Gary L.	/			
KIM, Donna Mercado	/			
MENOR, Ron	/			
TOKUDA, Jill N.	/			
HEMMINGS, Fred	/			
WHALEN, Paul				/
<b>TOTAL</b>	10	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink		
File with Committee Report	Clerk's Office	Drafting Agency		

\*Only one measure per Record of Votes