
HOUSE CONCURRENT RESOLUTION

REQUESTING THE CENTERS FOR MEDICARE AND MEDICAID SERVICES TO
CONSIDER RAISING THE MEDICARE FEE SCHEDULE PAYMENT AMOUNTS
FOR PHYSICIANS RENDERING SERVICES IN HAWAII.

1 WHEREAS, reimbursement levels for Medicare and Medicaid are
2 based upon the Medicare fee schedule, which is constructed from
3 the Medicare fee schedule payment amount formula; and
4

5 WHEREAS, the fee schedule formula for each physician
6 service is basically a conversion factor multiplied by relative
7 value units; and
8

9 WHEREAS, the conversion factor converts the relative value
10 units into dollars, and the relative value units generally
11 reflect the value of a particular physician service in relation
12 to other physician services; and
13

14 WHEREAS, the relative value units are composed of three
15 components reflecting the concepts of physician work, practice
16 expense, and malpractice expense; and
17

18 WHEREAS, each of these three components of the relative
19 value units are multiplied by respective geographic practice
20 cost indices so that the physician fee amount is geographically
21 adjusted to the geographic region of the country in which the
22 service is rendered; and
23

24 WHEREAS, these geographic adjustments are generally done
25 administratively by the federal Centers for Medicare and
26 Medicaid Services; and
27

28 WHEREAS, for the year 2009, the geographic practice cost
29 indices for Hawaii in are 1.000, 1.161, and 0.665 for the
30 indices related to physician work, practice expense, and
31 malpractice expense respectively; and



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

WHEREAS, the single geographic practice cost index of 1.000 for the physician work component represents the lowest possible value for that index, and undoubtedly has an adverse effect on the level of physician payments for services rendered in Hawaii; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2009, the Senate concurring, that the Centers for Medicare and Medicaid Services is respectfully requested to recognize that the physician fee amounts for Hawaii that result from the numeric values of the geographic practice cost indices that the Centers for Medicare and Medicaid Services assign to Hawaii do not accurately reflect the payment levels that physicians rendering services in Hawaii should be receiving for those services and to increase the geographic practice cost indices for Hawaii; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Acting Administrator of the Centers for Medicare and Medicaid Services, the members of Hawaii congressional delegation, the Governor, and the state Director of Health.

OFFERED BY:

[Handwritten signatures: Bryan, Tom Brunner, ~~Amunyan~~, John M. Magno, Della A. Belatti, 0542]