

Honolulu, Hawaii

FEB 18 2009

RE: S.B. No. 917

S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Human Services and Health, to which was referred S.B. No. 917 entitled:

"A BILL FOR AN ACT RELATING TO THIRD PARTY LIABILITY FOR
MEDICAID,"

beg leave to report as follows:

The purpose of this measure is to ensure state compliance with section 6035 of the Deficit Reduction Act of 2005 (P.L. 109-171), by strengthening the State's ability to identify and obtain payments from third party payers that are legally responsible to pay for health care services received by Medicaid recipients to pay primary to Medicaid.

Testimony in support of this measure was received by the Department of Human Services. The Hawaii Association for Justice submitted testimony in opposition to the measure. Copies of written testimony are available for review on the Legislature's website.

Your Committees find that Medicaid is designed to be a payer of last resort. However, statutory loopholes allow some third party payers to avoid paying primary to Medicaid. This measure is designed to enhance the Department of Human Services' ability to identify third party payers that are legally responsible to pay for health care services received by Medicaid recipients and obtain payments from such third party payers when appropriate. In so doing, the measure will reduce unnecessary expenditures of state and federal Medicaid funds.



Your Committees have amended this measure as follows:

- (1) Replacing the definition of "third party" with a definition for "first party" in order to substitute the correct term of art, thus clarifying the intent of the measure and avoiding unintended ambiguity; and
- (2) Making technical, nonsubstantive amendments for purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 917, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 917, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

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



DAVID Y. IGE, Chair

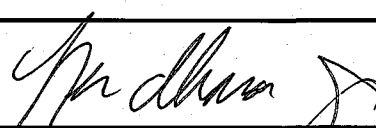


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* SB 917	Committee Referral: HMS/HTH.CPM	Date: 2/10/09		
<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)	✓			
GREEN, M.D., Josh				✓
HEMMINGS, Fred	✓			
TOTAL	3	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes

The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Health
HTH

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<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)	✓			
GREEN, M.D., Josh (VC)				✓
BAKER, Rosalyn H.	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.				✓
HEMMINGS, Fred	✓			
TOTAL	4			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>David Y Ige</i></div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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