

STAND. COM. REP. NO. 227

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 918

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

Madam:

Your Committee on Human Services, to which was referred S.B. No. 918 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID LIENS,"

begs leave to report as follows:

The purpose of this measure is to clarify existing law so that the notice of intent to place a lien on the real property of a Medicaid recipient will be valid if provided to the recipient or the recipient's legal representative, surviving spouse, child, or designated representative.

Testimony in support of this measure was submitted by the Department of Human Services and the Department of the Attorney General. Testimony in opposition to this measure was submitted by the Statewide Independent Living Council. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the Department of Human Services is required to place a lien on the real property of Medicaid recipients in nursing homes under certain circumstances, to secure recovery of Medicaid payments from the recipient's estate. Section 346-29, Hawaii Revised Statutes, allows applications for public assistance to be made by the applicant or a person acting on the applicant's behalf.

Your Committee also finds that the Department of Human Services has frequently encountered problems placing liens and filing claims because people claim that a legal representative



must receive the notice of intent to place a lien in order for the notice to be valid, and a legal representative is often difficult to locate.

Your Committee believes that this measure will provide greater flexibility in the law to allow recipients' designated representatives, spouses, and children to represent recipients in the lien process; thereby allowing the State to recover Medicaid payments from recipients' estates.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 918 and recommends that it pass Second Reading and be referred to the Committee on Judiciary and Government Operations.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,

  
SUZANNE CHUN OAKLAND, Chair



The Senate  
 Twenty-Fifth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Human Services**  
**HMS**

|  |  |                         |     |          |
|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:*<br><b>SB 918</b>   | Committee Referral:<br><b>HMS, JGO</b> | Date:<br><b>2/12/09</b> |     |          |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____  |  |                         |     |          |
| The Recommendation is:<br><input checked="" type="checkbox"/> Pass, unamended 2312 <input 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   |  |                         |     | ✓        |
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| <b>TOTAL</b>   | <b>3</b>                               |                         |     | <b>1</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |  |                         |     |          |
| Chair's or Designee's Signature:   |  |                         |     |          |
| <b>Distribution:</b> Original     Yellow     Pink     Goldenrod<br>File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy   |  |                         |     |          |

\*Only one measure per Record of Votes