



SENATE COMMITTEE ON HUMAN SERVICES  
Senator Suzanne Chun Oakland, Chair

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SENATE COMMITTEE ON HEALTH  
Senator David Y. Ige, Chair

Conference Room 016  
February 10, 2009 at 1:15 pm

**Testimony in support of SB 423.**

I am Rich Meiers of the Healthcare Association of Hawaii which represents entire spectrum of health care, including acute care hospitals, two-thirds of the long term care beds in Hawaii, as well as home care and hospice providers.

Thank you for this opportunity to testify in strong support of SB 423, which appropriates State funds that are needed to match federal funds. These funds are available to help sustain hospitals providing care to low-income patients who do not have insurance and cannot afford to pay for their care.

The Association would like to acknowledge the efforts of the current administration, Hawaii's Congressional Delegation, and the State Legislature in providing a series of DSH payments to Hawaii's hospitals. It began several years ago when the current administration aggressively pursued and secured federal DSH funds. Subsequent funding was obtained through the assistance of Hawaii's Congressional Delegation. Federal DSH funds have been matched by the Legislature in the past, and we seek that again today.

Hospitals and other health care providers are suffering financially because of low payments by Medicare, Medicaid, and private health care insurers. DSH funding recognizes that hospitals provide care to a substantial number of patients who do not have the financial resources to pay for their care. The \$10.2 million appropriation contained in this bill is the required State match to draw down \$12.5 million in federal funds that are available. The funding would be very much appreciated by the provider institutions. However, it should be noted that the DSH funding covers only a small portion of the total costs of caring for patients who cannot pay for their care.

In addition to supporting Hawaii's hospitals, the federal funds that would be drawn down represent an infusion of money into Hawaii's economy during these harsh economic times.

For the foregoing reasons the Healthcare Association strongly supports SB 423.