

STAND. COM. REP. NO. 251

Honolulu, Hawaii

Feb 13, 2009

RE: H.B. No. 703

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 703 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this bill is to meet rising health care costs and ensure that Hawaii's residents have continued access to quality health care by appropriating state funds to maximize the availability of the federal disproportionate share hospital allowance.

Specifically, this bill appropriates \$10,181,909 for fiscal year 2009-2010 as the State's share to maximize the availability of the federal disproportionate share hospital allowance to the State.

Your Committees received testimony in support of this bill from the Chamber of Commerce of Hawaii, Kaiser Permanente, Hawaii Medical Services Association, Healthcare Association of Hawaii, and the American Association of Retired Persons, Hawaii. The Department of Human Services submitted testimony in opposition.

Your Committees find that Medicaid is the cornerstone of health care for the State's most needy population and that it is in the public interest to ensure that health care payments made with state funds or controlled by the State are sufficient to cover the actual costs of care. However, Hawaii's hospitals have annually lost millions of dollars because government reimbursement

HB703 HSCR LRB 09-2010.doc



falls far short of the cost of providing medical care. Through the continued efforts of Hawaii's congressional delegation, a federal Medicaid disproportionate share hospital allowance of \$12,500,000 has been secured for Hawaii.

Your Committees find that the matching state appropriation is necessary for the expenditure of these federal funds to help provide continuing health care in the State's communities.

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 H.B. No. 703 and recommend that it pass Second Reading and be referred to the Committee on Finance.

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



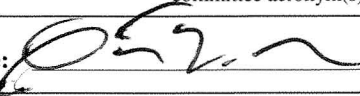
RYAN I. YAMANE, Chair



JOHN M. MIZUNO, Chair



Record of Votes of the Committee on Health

Bill/Resolution No.: HB 703	Committee Referral: HUS/HLT, FIN	Date: 2-05-09		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input checked="" type="checkbox"/> Pass, unamended (as is) <input type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HLT Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	/			
2. NISHIMOTO, Scott Y. (VC)	/			
3. BELATTI, Della Au				/
4. BERTRAM, Joe, III	/			
5. BROWER, Tom	/			
6. CARROLL, Mele				/
7. MIZUNO, John M.	/			
8. SHIMABUKURO, Maile S.L.	/			
9. FINNEGAN, Lynn				/
TOTAL (9)	6			3
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. _____ committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				