

Honolulu, Hawaii

FEB 12 2010

RE: S.B. No. 2270

S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committees on Health and Human Services, to which was referred S.B. No. 2270 entitled:

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

beg leave to report as follows:

The purpose of this measure is to ensure fair compensation to acute care hospitals that provide care to Medicaid patients while they wait for openings in long-term care facilities, as well as to provide fair compensation to long-term care facilities that treat patients with medically complex conditions who were previously in acute care hospitals.

Your Committees received testimony in support of this measure from Kaiser Permanente Hawaii, The Queen's Medical Center, Hawai'i Pacific Health, the Healthcare Association of Hawaii, and The Chamber of Commerce of Hawaii. Your Committees received testimony in opposition to this measure from the Department of Human Services. Written testimony presented to the Committees may be reviewed on the Legislature's website.

Your Committees find that due to the chronic shortage of long-term care beds, acute care hospitals often keep patients for long periods of time after they no longer need acute care services. Your Committees further find that although some patients in long-term care facilities who were previously in acute care facilities require a higher standard of care than the average long-term care facility patient, reimbursement rates remain at the long-term care level.



Your Committees also find that Medicaid reimbursement rates to acute care hospitals and long-term care facilities are based on the level of care needed by a patient and cause significant losses in the circumstances discussed above. This measure is intended to alleviate the financial burden to acute care hospitals and long-term care facilities.

Your Committees have amended this measure by adding language to require that state matching funds for Medicaid reimbursement equity be provided by specifically designated appropriations and if such funding is not available, then reimbursements will be calculated using existing Medicaid reimbursement rate methodology. Your Committees have also made technical, nonsubstantive changes to ensure clarity and accuracy in the language of this measure.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2270, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2270, S.D. 1, and be referred to the Committee on Ways and Means.

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

Suzanne Chun Oakland

SUZANNE CHUN OAKLAND, Chair

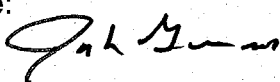
David Y. Ige

DAVID Y. IGE, Chair



The Senate  
 Twenty-Fifth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Health**  
**HTH**

Bill / Resolution No.:* <div style="text-align: center; font-size: 1.2em; font-weight: bold;">SB 2270</div>	Committee Referral: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">HTH/HMS, WAM</div>	Date: <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2/3/10</div>		
<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	✓			
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align: center; font-size: 1.5em; font-family: cursive;">  </div>				
<b>Distribution:</b> 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 Human Services**  
**HMS**

Bill / Resolution No.:* <b>SB 2270</b>	Committee Referral: <b>HTH/HMS, WAM</b>	Date: <b>2/2/10</b>		
<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	✓			
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</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 File with Committee Report    Clerk's Office            Drafting Agency        Committee File Copy				

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