

Honolulu, Hawaii

April 1, 2010

RE: S.B. No. 2650
S.D. 2
H.D. 2

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Sir:

Your Committee on Finance, to which was referred S.B. No. 2650, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE DEPARTMENT OF HUMAN SERVICES,"

begs leave to report as follows:

The purpose of this bill is to ensure that certain levels of Medicaid and public assistance services continue to be provided by requiring:

- (1) Medicaid health insurance plan contractors to provide a specific level of reimbursement for their case management agencies, chore providers, and providers of non-emergency medical transportation;
- (2) All intake and eligibility functions relating to welfare and public assistance recipients be performed by employees of the Department of Human Services; and
- (3) The convening of a task force to determine the feasibility of transferring services to a proposed eligibility-processing operations division.

Catholic Charities Hawaii, The Arc of Hilo, The Arc of Kona, and several concerned individuals supported this bill. The Department of Human Services, Hawaii Government Employees



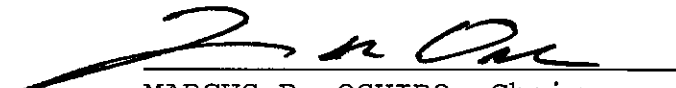
Association, a member of the Hawaii County Council, Case Management Professionals Inc., Ohana Health Plan, and several concerned individuals submitted comments.

Your Committee has amended this bill by:

- (1) Limiting a Medicaid healthcare insurance plan contractor to an unspecified percentage reduction in the reimbursement rates that were in effect under an expiring policy with a home and community-based case management agency when renewing a policy with a home and community-based case management agency;
- (2) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (3) Making technical, nonsubstantive changes for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2650, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2650, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,


MARCUS R. OSHIRO, Chair



