

STAND. COM. REP. NO. 321

Honolulu, Hawaii
Feb 16, 2011

RE: H.B. No. 1065

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 1065 entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES FOR HEALTH CARE PAYMENTS,"

beg leave to report as follows:

The purpose of this bill is to ensure the uninterrupted provision of medically necessary services to low-income adults and children by making an emergency appropriation to cover the budget shortfall for health care payments. This will also prevent the loss of \$6,000,000 in federal funding.

Pursuant to the requirements set forth in Article VII, Section 9, of the Hawaii State Constitution, the Governor, in Governor's Message No. 101 to the Legislature, requested immediate consideration and passage of this bill by the Legislature, citing an existing critical funding shortage.

The Department of Human Services, the Hawaii Medical Service Association, the Healthcare Association of Hawaii, Hawaii Pacific Health, Kaiser Permanente, Hawaii Primary Care Association, Ohana Health Plan, and Hawaii Substance Abuse Coalition testified in support of this measure.

The need for this additional funding is based on the recent economic downturn which resulted in an approximate ten percent increase in eligibility for the State's health care insurance

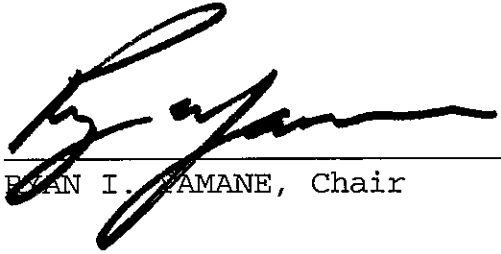
HB1065 HSCR HUS-HLT HMS 2011-1993



programs. In addition, the Department of Health deferred two months of health plan capitation payments to the current 2010-2011 fiscal year which was not covered in the "current fiscal year's budget.

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. 1065 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. SAMANE, Chair



JOHN M. MIZUNO Chair



