

Honolulu, Hawaii

March 8, 2011

RE: H.B. No. 596  
H.D. 1

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 596  
entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this bill is to require the Department of Human Services (DHS) to presume eligibility for Medicaid applicants who have been waitlisted for long-term care who are able to show proof of certain income and asset requirements, waitlist status, and level of care requirements.

Additionally, this bill:

- (1) Establishes provisions for the disenrollment of applicants who are later determined to be ineligible for Medicaid after receiving services during the period of presumptive eligibility, including requiring DHS to reimburse the provider or plan;
- (2) Requires DHS to submit a report to each Legislature beginning with the Regular Session of 2012 and ending with the Regular Session of 2016, regarding costs and issues related to Medicaid presumptive eligibility;
- (3) Requires DHS to conduct a study for a potential computerized system for processing Medicaid applications and submit a report of its findings and recommendations



relating to the study to the Legislature prior to the Regular Session of 2012; and .

- (4) Appropriates \$200,000 for the 2011-2012 fiscal year to cover the costs of reimbursements to providers or plans for services provided to waitlisted patients who are enrolled but are later determined to be ineligible.

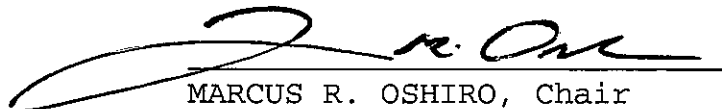
The Chamber of Commerce of Hawaii, Kaiser Permanente Hawaii, The Queen's Medical Center, and the Healthcare Association of Hawaii testified in support of this bill. DHS testified in opposition to this measure. The Hawaii Medical Service Association provided comments.

Your Committee has amended this bill by:

- (1) Leaving blank the amount appropriated for the 2011-2012 fiscal year reimbursements to providers or plans;
- (2) Changing the effective date to July 1, 2030, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments 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 H.B. No. 596, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 596, H.D. 1.

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

  
MARCUS R. OSHIRO, Chair



