

Honolulu, Hawaii

Feb 16, 2012

RE: H.B. No. 2138

H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred H.B. No. 2138 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

beg leave to report as follows:

The purpose of this measure is to prevent illegitimate claims and increase efficiency in Hawaii's public health insurance programs by requiring the Department of Human Services to:

- (1) Implement state-of-the-art technologies in its Medicaid and Children's Health Insurance Programs to increase the Department's ability to detect and prevent waste, fraud, and abuse in the programs; and
- (2) Require the Department to submit a report on its progress before the convening of the 2013 Legislature.

Two concerned individuals supported the measure. The Hawaii Government Employees' Association, AFSCME Local 152, AFL-CIO supported the intent of the measure. The Department of Human Services and Hawaii Medical Service Association opposed the measure.

Your Committees note the Department of Human Services' testimony that the measure, as received by your Committees, would increase providers' burdens, could worsen recipient access, and would require a substantial appropriation. Your Committees also



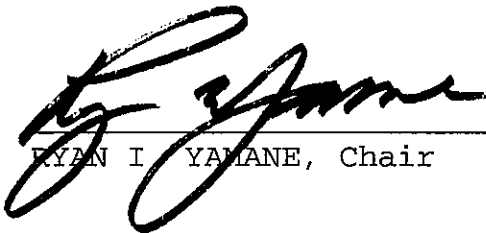
note that the stakeholders should continue to work with integrity to prevent waste, fraud, and abuse in Hawaii's health insurance programs. Your Committees also find that Medicaid payments in Hawaii totaled \$1,700,000,000 in 2012.

Accordingly, your Committees have amended this bill by:

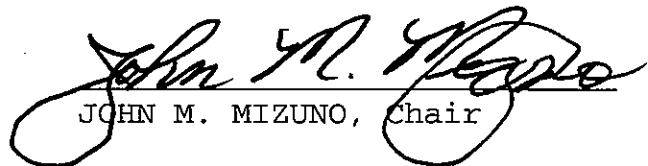
- (1) Establishing instead, a task force to recommend measures and strategies to prevent waste, fraud, and abuse in the Medicaid and Children's Health Insurance Programs;
- (2) Repealing the task force on July 1, 2013; and
- (3) Making technical, nonsubstantive amendments for clarity, consistency, and style.

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. 2138, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2138, H.D. 1, 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



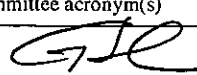
JOHN M. MIZUNO, Chair



State of Hawaii
House of Representatives
The Twenty-sixth Legislature

HWR 505-12

Record of Votes of the Committee on Human Services

Bill/Resolution No.: HB 2138	Committee Referral: HUS/HLT, FIN	Date: Feb 2, 2012		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" 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)				
HUS Members	Ayes	Ayes (WR)	Nays	Excused
1. MIZUNO, John M. (C)	✓			
2. JORDAN, Jo (VC)	✓			
3. BELATTI, Della Au				✓
4. HANOHANO, Faye P.	✓			
5. LEE, Chris	✓			
6. MORIKAWA, Dee	✓			
7. WOOLEY, Jessica	✓			
8. YAMANE, Ryan I.	✓			
9. CHING, Corinne W.L.	✓			
10. PINE, Kymerly Marcos	✓			
TOTAL (10)	9			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; margin-left: 100px;">committee acronym(s)</div>				
Vice Chair's or designee's signature: _____ <div style="text-align: center; margin-left: 100px;"></div>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				

