

Honolulu, Hawaii

MAR 23 2012

RE: H.B. No. 2275
H.D. 2
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committees on Health and Human Services, to which was referred H.B. No. 2275, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOSPITALS,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish and require the Department of Human Services to collect a hospital sustainability fee from hospitals on health care items or services provided; and
- (2) Establish a hospital sustainability program special fund that will receive the funds collected by the hospital sustainability fee so that the State may be eligible to receive federal Medicaid matching funds under the QUEST Expanded Medicaid Section 1115 demonstration waiver.

Your Committees received testimony in support of this measure from the Department of Human Services, The Queen's Health Systems, HMSA, Chamber of Commerce of Hawaii, Hawaii Health Systems Corporation, North Hawaii Community Hospital, Hawaii Pacific Health, Kaiser Permanente, and the Rehabilitation Hospital of the Pacific. Your Committees received testimony in opposition to this measure from the Healthcare Association of Hawaii. Your Committees received comments on this measure from the Department of Budget and Finance.



Your Committees find that there has been significant discussion about whether to include the Hawaii Health Systems Corporation as an entity that shall be subject to the hospital sustainability fee, and interested parties are approaching consensus on this point. Questions about needed resources for the Department of Human Services will be taken up in your Committee on Ways and Means, but the intent of your Committees is to maximize funds for private hospitals, public hospitals, and the Department of Human Services alike. After the aforementioned issues have been resolved, your Committees plan to submit to your Committee on Ways and Means a new draft of this measure that reflects the agreements of interested parties.

Your Committees have amended this measure by:

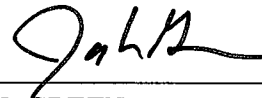
- (1) Inserting an effective date of January 1, 2050, to allow for further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 H.B. No. 2275, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2275, H.D. 2, 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, Chair

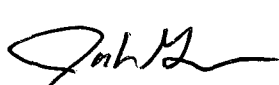


JOSH GREEN, M.D., Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

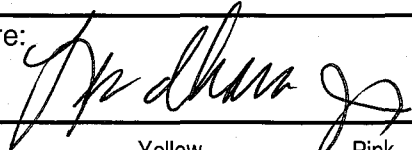
Record of Votes
Committee on Health
HTH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 2275, HD2	HTH/HMS. WAM	3-20-12		
<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
GREEN, M.D., Josh (C)	✓			
NISHIHARA, Clarence K. (VC)				✓
BAKER, Rosalyn H.	✓			
CHUN OAKLAND, Suzanne	✓			
SHIMABUKURO, Maile	✓			
WAKAI, Glenn	✓			
SLOM, Sam				✓
TOTAL	5	0	0	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
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-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* HB 2275, HD2	Committee Referral: HTH/HMS, WAM	Date: 3/21/12		
<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	✓			
SLOM, Sam				✓
TOTAL	3	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes