

Honolulu, Hawaii

FEB 13 2012

RE: S.B. No. 2093  
S.D. 1

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

Sir:

Your Committee on Human Services, to which was referred S.B. No. 2093 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Provide for fair Medicaid reimbursements to acute care hospitals and long-term care facilities for the services they provide to Medicaid patients who have been treated and who have recovered sufficiently so that they may be transferred to long-term care, but for whom long-term care is not available; and
- (2) Appropriate funds for increased Medicaid reimbursements.

Your Committee received testimony in support of this measure from the Consumer Family & Youth Alliance, the Hawaii Disability Rights Center, the Hawaii Health Systems Corporation, the Healthcare Association of Hawaii, Kaiser Permanente, the Policy Advisory Board for Elder Affairs, The Chamber of Commerce of Hawaii, and one individual. Your Committee received testimony in opposition to this measure from the Department of Human Services.

Your Committee finds that on any given day there is on average one hundred fifty patients in Hawaii's hospitals who have been treated and who have recovered sufficiently to be transferred to a long-term care facility. These patients are placed on a



waitlist for days, weeks, months, or in some cases over a year because long-term care is not available. This represents an inappropriate quality of care for the patient and creates a serious financial drain on hospitals. Your Committee further finds that establishing Medicaid reimbursements at a level that is at least equal to the rate paid for acute care services and compensating hospitals and long-term care facilities at rates that are commensurate with the level of care that is required for the patient will help acute hospitals bear the financial burden of continuing care for patients who are waitlisted for placement in a long-term care facility or who have complex medical conditions.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2014; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2093, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2093, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,



SUZANNE CHUN OAKLAND, Chair



