

Honolulu, Hawaii

March 22, 2012

RE: S.B. No. 2120
S.D. 1
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 S.B. No. 2120, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose of this measure is to increase payments for physician services for medicaid-eligible persons, including fee-for-service and QUEST physician services, and the QUEST expanded care program.

Specifically, this measure:

- (1) Appropriates an unspecified amount of funds for the 2012-2013 fiscal year to the Department of Human Services to increase payments for physician services to medicaid-eligible persons, including fee-for-service and QUEST-eligible individuals, and the QUEST expanded care program; and
- (2) Requires the Department of Human Services to include in its budget request for each year of the 2013-2015 fiscal biennium a sum at least equal to the sum appropriated for fiscal year 2012-2013, in addition to its baseline medicaid request.



The Hawaii Medical Association supported the measure with amendments. The Department of Human Services opposed the measure.

Your Committees have amended this measure by:

- (1) Adding preamble language that explains the background and impact of the Affordable Care Act and also revises the purpose of the bill, which is to increase the payment for primary care physician services provided to children and pregnant women covered under the Children's Health Insurance Program to be equal to such reimbursement provided to Medicaid recipients;
- (2) Appropriating an unspecified amount of funds for the 2012-2013 fiscal year to the Department of Human Services to increase payments for primary care services provided by primary care physicians for the care of children and pregnant women who are enrolled in the Children's Health Insurance Program;
- (3) Specifying that the funds must be equitably distributed among the fee-for-service, QUEST and QUEST Expanded Access health plans based on enrollment of Children's Health Insurance Program recipients, so that payment for these physician services can be increased;
- (4) Requiring the Department of Human Services to include in its budget request for each year of the 2013-2015 fiscal biennium an additional baseline request that allows for increased moneys to be paid out for the primary care services provided by primary care physicians to Children's Health Insurance Program recipients; and
- (5) Changing its effective date to July 2, 2050, to promote further discussion.

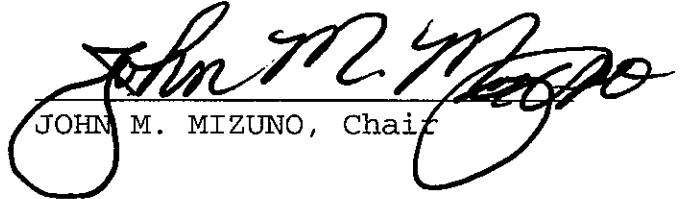
As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2120, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2120, S.D. 1, 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



