

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2166
S.D. 2

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

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2166, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to prevent waste, fraud, and abuse in the State's medicaid and children's health insurance programs.

Specifically, this measure:

- (1) Establishes the Health Insurance Waste, Fraud, and Abuse Task Force within the Department of Human Services to develop strategies, plans, and efforts to reduce medicaid fraud and abuse, including detecting fraud before payments are made; and
- (2) Requires the Health Insurance Waste, Fraud, and Abuse Task Force to submit report to the 2013 Legislature.

Your Committee received written comments in support of this measure from the Department of the Attorney General. Your Committee received written comments in opposition of this measure from the Department of Human Services.

Your Committee finds that nationwide, waste, fraud, and abuse cost state medicaid programs an estimated \$18,000,000,000 each year. Establishing a task force of directors, legislators, and



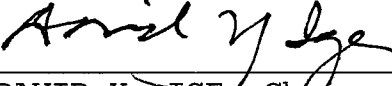
representatives from consumer advocacy groups, hospitals, and health plans in Hawaii will assist in developing systems to discover medicaid fraud before payments are made on fraudulent claims.

Your Committee has amended this measure by:

- (1) Clarifying that the State's sunshine law (chapter 92, part I, Hawaii Revised Statutes) shall apply solely to the posting of meeting notices and giving testimony at the meetings;
- (2) Specifying that the Director of Human Services shall appoint the members of the task force without regard to section 26-34, Hawaii Revised Statutes; and
- (3) Making technical nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2166, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2166, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DAVID Y. IGE, Chair



The Senate
Twenty-Sixth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2166, SD 1	HMS, WAM	2/28/12		
<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
IGE, David Y. (C)	✓			
KIDANI, Michelle N. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
DELA CRUZ, Donovan M.	✓			
ENGLISH, J. Kalani	✓			
ESPERO, Will	✓			
FUKUNAGA, Carol	✓			
KIM, Donna Mercado	✓			
KAHELE, Gilbert	✓			
KOUCHI, Ronald D.				✓
RYAN, Pohai	✓			
TOKUDA, Jill N.	✓			
WAKAI, Glenn	✓			
SLOM, Sam		✓		
TOTAL	12	1	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:right; font-family: cursive; font-size: 1.2em;">Michelle N. Kidani</div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes