

STAND. COM. REP. NO.

2644

Honolulu, Hawaii

MAR 02 2012

RE: S.B. No. 2466  
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. 2466, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to ensure access to health care for medicaid recipients by establishing a nursing facility sustainability fee and a special fund to receive moneys from the nursing facility sustainability fee in order to receive federal medicaid matching funds under the QUEST expanded medicaid section 1115 demonstration waiver.

Your Committee received written comments in support of this measure from the Department of Human Services. Your Committee received written comments on this measure from the Department of Budget and Finance; and Hawaii Health Systems Corporation.

Your Committee finds that federal funding to help financially sustain Hawaii's long-term care facilities may be accessed through a provider fee. Your Committee further finds that provider fees exist in forty-six states and the District of Columbia. In Hawaii, provider fees would increase medicaid payments at a time when constraints on the State's budget have forced a reduction in payments and benefits. The additional federal funds obtained via the fee program would reduce the amount of losses incurred by nursing facilities.



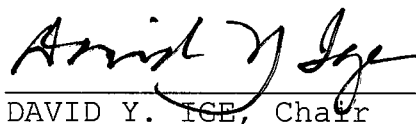
Your Committee notes that this measure requires the Department of Human Services to consult with specific, named private entities prior to making certain determinations. There are concerns that this requirement may violate the Equal Protection Clauses of the United States and Hawaii Constitutions. Accordingly, your Committee intends to consult with the Attorney General's office or the Senate Majority Attorney on this issue.

Your Committee has amended this measure by:

- (1) Placing the new chapter established by this measure in Title 20, Hawaii Revised Statutes; and
- (2) Making technical nonsubstantive amendments for purposes of style, clarity, and consistency.

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. 2466, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2466, 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 2466, SD1	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		✓
<b>TOTAL</b>	11	0
		1
		2
Recommendation:		
<input checked="" type="checkbox"/> Adopted		
<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:		
<i>Michelle N. Kidani</i>		
Distribution:		
Original	Yellow	Pink
File with Committee Report	Clerk's Office	Drafting Agency
		Goldenrod
		Committee File Copy

\*Only one measure per Record of Votes