

Honolulu, Hawaii

MAR 30 2012

RE: S.R. No. 82
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.R. No. 82 entitled:

"SENATE RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO AMEND THE FEDERAL SECTION 1115 WAIVER GRANTED TO HAWAII TO RAISE THE MEDICAID INCOME ELIGIBILITY CEILING TO THREE HUNDRED PERCENT OF THE FEDERAL POVERTY LEVEL,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Request the Department of Human Services to amend the federal section 1115 waiver granted to Hawaii to raise the Medicaid income eligibility ceiling to three hundred percent of the federal poverty level; and
- (2) Request the Department to submit a report to the Legislature on the progress in amending the Medicaid income eligibility ceiling of the federal section 1115 waiver.

Your Committee received testimony in support of this measure from AlohaCare, the Hawaii Health Authority, United Self Help, and one individual. Your Committee received testimony in opposition to this measure from the Department of Human Services.

Your Committee finds that increasing health care costs may put individuals, especially children, at risk of foregoing necessary medical treatment. This measure would move Hawaii



within the range of having universal health care for all of Hawaii's citizens.

However, your Committee notes that according to the Department of Human Services' testimony, the QUEST and QUEST Expanded Access enrollment was approximately two hundred eighty-six thousand as of February 2012. Since the Department has continued to see an increase in the enrollment numbers for several years with no indications of leveling off or decreasing and because there already exists difficulty in meeting the needs of the current enrollee population, the Department cannot support the resulting increase to the Medicaid enrollment that would result from this measure.

Your Committee further finds that the Basic Health Plan under the federal Patient Protection and Affordable Care Act may provide the State with an alternative for new federal funding for health insurance coverage and may allow those currently ineligible for Medicaid to be eligible to receive health coverage under this plan.

Your Committee has therefore amended this measure by:

- (1) Deleting language that described other states' efforts to increase eligibility for health insurance;
- (2) Adding language that describes the possible benefits of the Basic Health Plan under the federal Patient Protection and Affordable Care Act;
- (3) Adding language that requests the Department of Human Services to reexamine the Basic Health Plan under the federal Patient Protection and Affordable Care Act once federal rules have been issued;
- (4) Amending the language that requests the Department of Human Services to amend the federal section 1115 waiver granted to Hawaii to raise the Medicaid income eligibility ceiling to instead consider raising the Medicaid income eligibility ceiling to provide the greatest health care coverage to serve the needs of Hawaii's people;
- (5) Amending the title accordingly; and



- (6) Making a technical, nonsubstantive amendment 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 concurs with the intent and purpose of S.R. No. 82, as amended herein, and recommends that it be referred to the Committee on Ways and Means, in the form attached hereto as S.R. No. 82, S.D. 1.

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



SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* <i>SR 02</i>	Committee Referral: <i>HMS, WAM</i>	Date: <i>3/28/12</i>		
<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)	<i>/</i>			
IHARA, Jr., Les (VC)				<i>/</i>
GREEN, M.D., Josh	<i>/</i>			
SLOM, Sam	<i>/</i>			
TOTAL	<i>3</i>	<i>0</i>	<i>0</i>	<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>[Signature]</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes