

TO: The Honorable Marcus Oshiro, Chairman
House Committee on Finance

FROM: Marilyn A. Matsunaga
Pacific Renal Care Foundation

RE: **SB 2712, HD2 – Relating to Medicaid**
Thursday, March 29, 2012. At 11:00 a.m.
Conference Room 308, Hawaii State Capitol

TESTIMONY IN SUPPORT WITH AMENDMENT

Dear Chairman Oshiro and Members of the House Committee on Finance:

The Pacific Renal Care Foundation supports S.B. 2712, H.D. 2 Relating to Medicaid subject to the following amendment:

Section 4. Hawaii Medicaid, Hawaii QUEST and any contractors therewith or successors (collectively "Medicaid") shall refrain from modifying reimbursement policies and guidelines without providing a 90 day prior written notice of such change to any affected health care provider. In no event shall any such change be applied retroactively if prior approval for reimbursement was obtained from Medicaid.

SECTION [4] 5...

SECTION [5] 6...

SECTION [6] 7...

Providers need this type of stability to ensure sustainable participation in the Medicaid program. An example of this relates to liens. These cases may take a substantial time to resolve and in that timeframe, policy changes may occur which may be disadvantageous to providers in Medical Institutions. The amended language provides adequate notice of those changes and affords providers to be reimbursed at agreed-upon rates through the prior approval process with Medicaid.

Thank you for your consideration.