

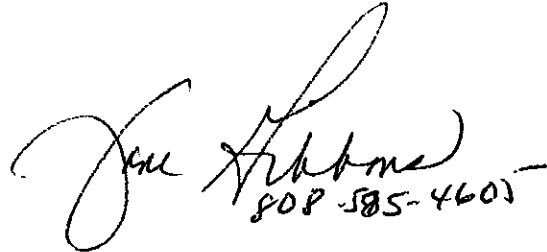
# LATE TESTIMONY

February 8, 2013

**TO:** The Honorable Mele Carroll, Chair  
House Committee on Health

**FROM:** Jane Gibbons – Regional Vice-President  
Fresenius Medical Care

**SUBJECT:** H.B. 1035 - RELATING TO MEDICAID  
Tuesday, February 12; 9:30 AM  
Conference Room 329, Hawaii State Capitol



*Jane Gibbons*  
808-585-4605

## TESTIMONY IN SUPPORT

Dear Chair Carroll and Members of the House Committee on Human Services:

My name is Jane Gibbons and I am the Regional Vice-President of Fresenius Medical Care in Hawaii. I am here to testify in strong support of HB 1035.

Madame Chair, It is important that healthcare providers are advised of changes in rules or policies in a timely manner so we can determine the impact those changes will have on patients' care. However, it is of critical importance that providers are paid for services rendered, especially if those services were pre-approved by payers or their intermediaries, to ensure unfettered access to care for patients.

Fundamental change through President Barack Obama's Healthcare Reform initiatives focused on expanding care to more Americans, lowering the cost of care through technological advances and reduction of reimbursement for healthcare services through bundling or fee schedule decreases. While these changes may provide a positive spin on the future sustainability of our nation's healthcare system, it has also marginalized operating margins for the healthcare industry.

Our company, along with many other healthcare providers, depends on cost shifting and timely payments to stay afloat and meet the increasing needs of patients who have chronic kidney disease (CKD). In Hawaii the need is critical to plan and provide care to 156,000 residents who have CKD and the 3,000 plus patients who are currently receiving life-sustaining dialysis treatment.

HB1035 affords assurances that providers will be paid for their services if they are pre-approved and will not have the additional burden worrying about rules being changed and applied retroactively that may impact them negatively. Imagine, being a business owner providing a service to the State after being approved, providing the service, and collecting the money. Then, after some time passes, the State advises the business owner that the business rules changed today and so we need our money back.

HB1035 protects us and protects our healthcare system from this very scenario and I humbly ask for your support to pass this bill.