

Honolulu, Hawaii

FEB 06 2013

RE: S.B. No. 306

S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Human Services, to which was referred S.B. No. 306 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to extend the termination date of the Medicaid buy-in task force to June 30, 2014, and require submission of an interim and final report by the task force.

Your Committee received testimony in support of this measure from the Department of Human Services, State Council on Developmental Disabilities, Community Alliance for Mental Health, and one individual.

Your Committee finds that the community is concerned that as Medicaid recipients become employed, their increased income would make them ineligible for Medicaid. Two major issues for Medicaid recipients becoming gainfully employed are affordability of individual health insurance policies and coverage of certain benefits, specifically specialized behavioral health services and home- and community-based services.

Your Committee further finds that the Patient Protection and Affordable Care Act creates a new avenue for individuals to access affordable health insurance, which is subsidized based on income. The amount of premiums paid for qualified health plans purchased through the health insurance exchange is expected to be less than



premiums paid in the majority of Medicaid buy-in programs. However, individuals covered by Medicaid are not eligible for federal subsidies through the health insurance exchange, and determination of eligibility for Medicare does not consider need-based criteria.

Your Committee also finds that certain benefits are not included in the qualified health plan's benchmark benefit package or covered by Medicare. Disabled individuals have communicated that the benefits of greatest concern are specialized behavioral health services for individuals with a serious mental illness and home- and community-based services for individuals who need a nursing facility level of care. Therefore, the goal is to provide affordable access to these services while maximizing federal funding.

Your Committee has amended this measure by making technical, nonsubstantive amendments 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 is in accord with the intent and purpose of S.B. No. 306, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 306, S.D. 1, and be placed on the calendar for Third Reading.

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

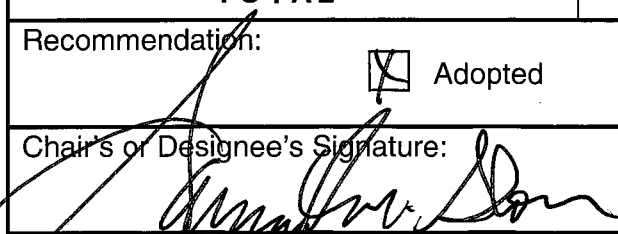


SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 306	HMS	1/31/13		
<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)	X			
GREEN, Josh (VC)	X			
KIDANI, Michelle N.	X			
TANIGUCHI, Brian T.				X
SLOM, Sam	X			
TOTAL	4	0	0	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original	Yellow	Pink	Goldenrod	
File with Committee Report	Clerk's Office	Drafting Agency	Committee File Copy	

*Only one measure per Record of Votes