

Honolulu, Hawaii

APR 29 2016

RE: S.B. No. 2076
S.D. 2
H.D. 1
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2076, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Establish a durable medical equipment supplier license program for suppliers of durable medical equipment, prosthetics, orthotics, and related supplies through the Office of Health Care Assurance;
- (2) Allow license fees to be deposited into the office of health care assurance special fund;



- (3) Amend the cap on amounts of the office of health care assurance special fund that may be used per fiscal year; and
- (4) Amend the balance of the office of health care assurance special fund above which monies shall be deposited into the general fund.

Your Committee on Conference finds that in 2013, the federal government established the durable medical equipment competitive bidding program in one hundred metropolitan areas across the nation. The City and County of Honolulu was included as one of those areas and is the only Hawaii locality that was required to participate. In the years since the competitive bidding program was established, the program has reduced reimbursements drastically for local providers, compromised the quality of care for residents, disrupted health status, and increased costs for seniors and their families.

Your Committee on Conference further finds that the federal government plans to roll out a form of the competitive bidding program into the neighbor islands in 2016, which will create greater challenges for rural beneficiaries when trying to access needed services, resulting in reductions in their health and quality of life. Establishing a licensing program will help to ensure that patients receive a minimum level of access to durable medical devices without increasing the costs or reducing availability of durable medical devices.

Your Committee on Conference has amended this measure by:

- (1) Inserting \$327,000 as the cap on the amount of the office of health care assurance special fund that may be used per fiscal year;
- (2) Inserting \$387,500 as the balance of the office of health care assurance special above which monies shall be deposited into the general fund; and
- (3) Changing the effective date to January 1, 2017.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2076, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2076, S.D. 2, H.D. 1, C.D. 1.




Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE


DELLA AU BELATTI, Co-Chair


ROSALYN H. BAKER, Chair


ANGUS L.K. MCKELVEY, Co-Chair


SUZANNE CHUN OAKLAND, Co-Chair


SCOTT Y. NISHIMOTO, Co-Chair



Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 2076, SD 2, HD 1	Date/Time: 4/29/16 10:05 AM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
BAKER, Rosalyn H., Chr.	✓				BELATTI, Della Au, Co-Chr.	✓			
CHUN OAKLAND, Suzanne, Co-Chr.	✓				MCKELVEY, Angus L.K., Co-Chr.	✓			
NISHIHARA, Clarence K.				✓	NISHIMOTO, Scott Y., Co-Chr.	✓			
					CREAGAN, Richard P.				✓
					FUKUMOTO CHANG, Beth	✓			
TOTAL	2	-	-	1	TOTAL	4	-	-	1

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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