

Honolulu, Hawaii

April 8, 2016

RE: S.B. No. 2330
S.D. 2
H.D. 2

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2330, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE HOSPITAL SUSTAINABILITY PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to provide funding for and to extend the Hospital Sustainability Program by an additional year. This measure also amends provisions relating to:

- (1) The use of revenues derived from the Hospital Sustainability Fee to enhance reimbursement rates and the drawdown of matched federal funds;
- (2) Hospital Sustainability Fee schedules, payment dates, and rates; and
- (3) The applicability of the Hospital Sustainability Program to various types of hospitals, including certain children's, rehabilitation, and psychiatric hospitals.

The Department of Human Services; Hawaii Health Systems Corporation; United Public Workers, AFSCME, Local 646, and AFL-CIO; Healthcare Association of Hawaii; The Queen's Health Systems; Hawaii Pacific Health; Hawaii Primary Care Association; Chamber of Commerce Hawaii; and Legacy of Life Hawaii testified in support of



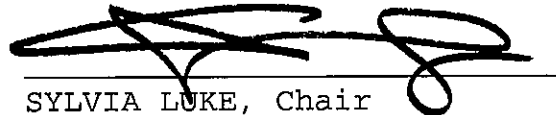
this measure. The Department of the Attorney General provided comments.

Your Committee has amended this measure by:

- (1) Changing the appropriation out of the hospital sustainability program special fund from \$70,000,000 to an unspecified amount; and
- (2) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2330, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2330, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUKE, Chair



