

STAND. COM. REP. NO. 800

Honolulu, Hawaii

MAR 06 2015

RE: S.B. No. 912
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 912, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to determine the need for annual inflationary adjustments to the long-term care reimbursement methodology used to reimburse facilities for Medicaid recipients.

Your Committee received written comments in support of this measure from Hale Makua Health Services, Healthcare Association of Hawaii, The Queen's Health Systems, and Ohana Pacific Management Company. Your Committee received written comments on this measure from the Department of Human Services, Hawaii Health Systems Corporation, and one individual.

Your Committee finds that long-term care facilities in Hawaii face major financial challenges in providing quality health care because Medicaid reimbursements do not fully pay for the actual costs of care. Medicaid reimbursement rates for long-term care facilities have not been adjusted for inflation for many years due to the economic recession. As a result, there is now a significant difference between the actual cost of care and reimbursement rates. Your Committee believes that the first step in resolving this issue is collecting information on annual costs, reimbursements, and shortfalls that long-term care facilities experience.

SB912 SD1 SSCR LRB 15-1989.doc



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 912, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



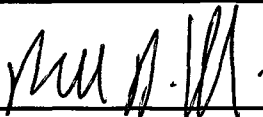
JILL N. TOKUDA, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

3/4/15 (NKA)

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|---|--|----------------------------|----------|----------|
| Bill / Resolution No.:* SB912 SD1 | Committee Referral: HSH, WAM | Date: 3/2/15 | | |
| <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 checked="" type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 ^{rel} <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| TOKUDA, Jill N. (C) | ✓ | | | |
| KOUCHI, Ronald D. (VC) | ✓ | | | |
| CHUN OAKLAND, Suzanne | ✓ | | | |
| DELA CRUZ, Donovan M. | ✓ | | | |
| ENGLISH, J. Kalani | ✓ | | | |
| GALUTERIA, Brickwood | ✓ | | | |
| HARIMOTO, Breene | ✓ | | | |
| INOUE, Lorraine R. | ✓ | | | |
| RIVIERE, Gil | ✓ | | | |
| RUDERMAN, Russell E. | | | | ✓ |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 10 | 0 | 0 | 1 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: <div style="text-align:center; font-family: cursive; font-size: 1.2em;">  </div> | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes