

STAND. COM. REP. NO.

841

Honolulu, Hawaii

March 3

, 2017

RE: H.B. No. 89

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 89,
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 preserve access to health
care for Medicaid recipients by:

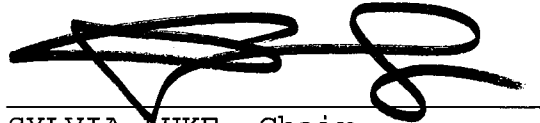
- (1) Extending the Hospital Sustainability Program for two
years and updating statutory references accordingly;
- (2) Clarifying that the rate of the outpatient hospital
sustainability fee shall not exceed three percent of net
outpatient hospital service revenue;
- (3) Allowing the Department of Human Services (DHS) to
exclude any facility from the hospital sustainability
fee on outpatient care services if its exclusion is
required to meet federal standards of approval; and
- (4) Appropriating funds out of the Hospital Sustainability
Program Special Fund for Fiscal Year 2017-2018 and
Fiscal Year 2018-2019.



DHS, Hawaii Health Systems Corporation, The Queen's Health Systems, Healthcare Association of Hawaii, Hawai'i Pacific Health, The Chamber of Commerce Hawaii, and Legacy of Life Hawai'i supported this measure.

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 H.B. No. 89, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



