

STAND. COM. REP. NO.

1354

Honolulu, Hawaii

APR 05 2017

RE: H.B. No. 90
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 90, H.D. 1, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to preserve access to healthcare for Medicaid recipients and help ensure the stability of the State's long-term care facilities.

Specifically, this measure:

- (1) Extends the nursing facility sustainability program for two years; and
- (2) Appropriates funds out of the nursing facility sustainability program special fund for fiscal years 2017-2018 and 2018-2019.

Your Committee received written comments in support of this measure from the Department of Human Services, Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Chamber of Commerce Hawaii, The Queen's Health Systems, and Hawaii Pacific Health.



Your Committee finds that the State's nursing facilities face major financial challenges in providing quality long-term care for residents of the State, in part because Medicaid payments to nursing facilities are below the actual costs of care. As a result, the Legislature created the nursing facility sustainability program to increase Medicaid payments to nursing facilities. The additional federal funds obtained through this program have helped to reduce the amount of losses incurred by long-term care facilities and maintain access to care for Medicaid recipients. Because the majority of residents in Hawaii's nursing facilities are Medicaid enrollees, your Committee finds that the nursing facility sustainability program helps to ensure that these patients have access to quality care.

Your Committee has amended this measure by:

- (1) Appropriating \$14,000,000 annually out of the nursing facility sustainability program special fund for fiscal years 2017-2018 and 2018-2019;
- (2) Changing the effective date to:
 - (A) July 1, 2017, for section 7 of the measure; and
 - (B) June 29, 2017, for the remainder of the measure; and
- (3) Making a technical, nonsubstantive amendment for the purpose of clarity and consistency.

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 H.B. No. 90, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 90, H.D. 1, S.D. 2.

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




JILL N. TOKUDA, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 90, HD1, SD1	HMS/CPH, WAM	3/28/17		
<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
TOKUDA, Jill N. (C)	/			
DELA CRUZ, Donovan M. (VC)	/			
ENGLISH, J. Kalani				/
GALUTERIA, Brickwood	/			
HARIMOTO, Breene				/
INOUYE, Lorraine R.				/
KAHELE, Kaiali'i				/
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			
WAKAI, Glenn	/			
TOTAL	7			4
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