

STAND. COM. REP. NO.

818

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 397
S.D. 1

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 S.B. No. 397 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to extend the hospital sustainability program for two years.

This measure also:

- (1) Amends the definition of "net patient service revenue" by specifying the data to be used in calculating net patient service revenue;
- (2) Clarifies the exemption from the hospital sustainability fee for outpatient services and authorizes the Department of Human Services to exempt any facility as needed to meet federal standards; and
- (3) Appropriates funds out of the hospital sustainability program special fund for fiscal biennium 2017-2019 for purposes consistent with the special fund.

Your Committee received written comments in support of this measure from the Hawaii Health Systems Corporation, the East



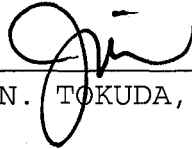
Hawaii Region of the Hawaii Health Systems Corporation, the Department of Human Services, The Queen's Health Systems, Healthcare Association of Hawaii, and the Chamber of Commerce Hawaii.

Your Committee finds that the hospital sustainability fee program has successfully leveraged federal funds to increase hospital reimbursements from the MedQUEST programs, stemmed losses to hospitals in the community, and helped maintain access to care for medicaid recipients.

Your Committee has made a technical nonsubstantive amendment to correct the quoted text of Act 217, Session Laws of Hawaii 2012, in sections 5 and 6 of the measure, to reflect the printed version of the Session Laws.

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. 397, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 397, S.D. 1.

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

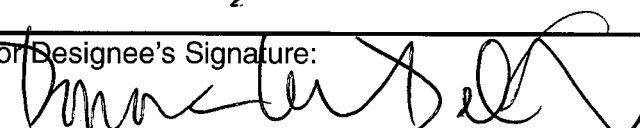


JILL N. TOKUDA, Chair



The Senate
Twenty-Ninth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 397	Committee Referral: HMS/CPH, WAM	Date: 8/14/17		
<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