

STAND. COM. REP. NO.

1161

Honolulu, Hawaii

March 21, 2017

RE: S.B. No. 308
S.D. 1
H.D. 1

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

Sir:

Your Committees on Human Services and Health, to which was referred S.B. No. 308, S.D. 1, entitled:

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

beg leave to report as follows:

The purpose of this measure is to preserve access to health care for Medicaid recipients by:

- (1) Providing an annual inflationary adjustment in the methodology used to reimburse facilities for the long-term care of Medicaid recipients beginning with fiscal year 2017-2018; and
- (2) Appropriating funds for fiscal year 2017-2018 and fiscal year 2018-2019 to provide an inflationary adjustment to long-term care facilities' provider-specific prospective payment rates.

The Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors; HHSC-Oahu Region; Ohana Pacific Management Company, Inc.; Hawaii Chapter of the American Physical Therapy Association; The Queen's Health Systems; Aloha Nursing Rehab Centre; Healthcare Association of Hawaii; The Chamber of Commerce Hawaii; Hale Kupuna Heritage Home; Puuwai O Makaha; Ann Pearl Rehabilitation &

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Healthcare Center; One Kalakaua Senior Living; Hale Makua Kahului; Garden Isle Healthcare & Rehabilitation; The Clarence T.C. Ching Villas at St. Francis; and Hawaii Pacific Health testified in support of this measure. The Department of Human Services provided comments on this measure.

Your Committees have amended this measure by:

- (1) Changing its effective date to July 1, 2070, to facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for clarity and style.

Should the Committee on Finance deliberate on this measure, your Committees respectfully request that it consider appropriating \$1,887,883 for fiscal year 2017-2018 and \$4,056,077 for fiscal year 2018-2019 for the inflationary adjustment to long-term care facilities' provider-specific prospective payment rates.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 308, S.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 308, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Health,



DELLA AU BELATTI, Chair



DEE MORIKAWA, Chair



