

Honolulu, Hawaii

APR - 5 2019

RE: H.B. No. 1449
H.D. 1
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1449, 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.

Specifically, this measure:

- (1) Extends the nursing facility sustainability program to 2021;
- (2) Allows the nursing facility sustainability fee to be used to enhance capitated rates for the purpose of paying quality incentives;
- (3) Increases the nursing facility sustainability fee limit from 4.0 to 5.5 percent of net patient service revenue;
- (4) Increases the per resident daily maximum fee from \$13.46 to \$20.00 for each facility, and increases the per resident reduced daily maximum fee from \$5.85 to \$9.00 for facilities that meet certain exceptions; and



- (5) Appropriates funds out of the nursing facility sustainability program special fund for fiscal years 2019-2020 and 2020-2021.

Your Committee received written comments in support of this measure from the Department of Human Services, Aloha Nursing Rehab Centre, The Queen's Health Systems, Hawaii Medical Service Association, and Healthcare Association of Hawaii.

Your Committee finds that, since its inception in 2012, the nursing facility sustainability program has helped long-term care facilities treat the most vulnerable patients in the State. Your Committee further finds that the program has helped to ensure that patients, especially those with low incomes, are able to access quality, affordable care.

Your Committee has amended this measure by changing the effective date to:

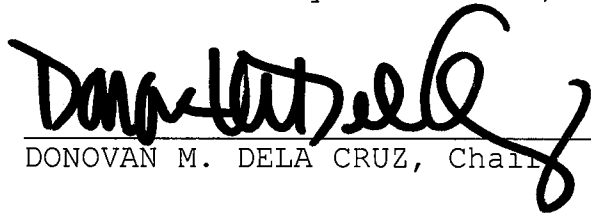
(1) July 1, 2050, for sections 7 and 8; and

(2) June 29, 2050, for the remainder of the measure,

to facilitate further discussion on the measure.

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. 1449, 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. 1449, H.D. 1, S.D. 2.

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



DONOVAN M. DELA CRUZ, Chair



The Senate
Thirtieth Legislature
State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
<i>HB 1449 HD/SD</i>	<i>HMS/KPH, WAM</i>	<i>4/3/19</i>		
<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
DELA CRUZ, Donovan M. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
ENGLISH, J. Kalani				X
HARIMOTO, Breene				X
INOUE, Lorraine R.	X			
KAHELE, Kaiali'i				X
KANUHA, Dru Mamo	X			
KIDANI, Michelle N.	X			
MORIWAKI, Sharon Y.	X			
RIVIERE, Gil	X			
SHIMABUKURO, Maile S.L.	X			
TANIGUCHI, Brian T.	X			
FEVELLA, Kurt		X		
TOTAL	9	1		3
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