

STAND. COM. REP. NO. 964

Honolulu, Hawaii

MAR 03 , 2023

RE: H.B. No. 1368
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2023
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1368, 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 and strengthen the Hospital Sustainability Program by:

- (1) Amending the definition of "private hospital";
- (2) Clarifying the uses of the Hospital Sustainability Program Special Fund;
- (3) Increasing the Hospital Sustainability Fee cap for various facilities;
- (4) Requiring the Department of Human Services to consult and negotiate with the hospital trade association in Hawaii regarding Hospital Sustainability Fee participation and rates;

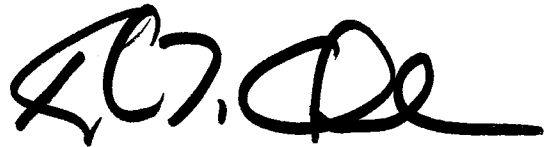


- (5) Clarifying the circumstances under which the Hospital Sustainability Fee shall be discontinued and the distribution of remaining funds;
- (6) Repealing the sunset dates of Act 217, Session Laws of Hawaii 2012, and Act 123, Session Laws of Hawaii 2014, thereby making the Hospital Sustainability Program permanent and permanently exempting the Hospital Sustainability Program from the central service and administrative expenses assessments; and
- (7) Appropriating funds out of the Hospital Sustainability Program Special Fund.

Your Committee received testimony in support of this measure from the Department of Human Services, East Hawaii Region of Hawaii Health Systems Corporation, Hawai'i Pacific Health, The Queen's Health System, Kaiser Permanente, and Hawai'i Primary Care Association. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Healthcare Association of Hawaii and Palolo Chinese Home.

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. 1368, H.D. 1, and recommends that it pass Third Reading.

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



KYLE T. YAMASHITA, Chair



