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## A BILL FOR AN ACT

RELATING TO PROFESSIONAL MEDICAID SERVICES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that nearly one third of  
2 Hawaii's residents and half of all keiki are enrolled in  
3 medicaid. Since the start of the coronavirus disease 2019  
4 pandemic in March 2020, medicaid enrollment has increased forty  
5 per cent. However, timely access to providers can prove  
6 difficult, especially in rural areas where health care providers  
7 are in short supply. In 2022, the State had a shortfall of more  
8 than seven hundred fifty full-time physicians and nearly four  
9 thousand nonphysician, patient-facing health care workers, such  
10 as nurses, technicians, and patient service representatives.

11           The legislature further finds that due to the significant  
12 number of Hawaii residents receiving medicaid coverage, health  
13 care providers often receive less reimbursement from medicaid  
14 than from medicare or commercial insurances for the same  
15 service. While some providers are reimbursed at cost or at the  
16 same rates as medicare -- such as critical access hospitals,  
17 community health centers, and providers who perform certain



1 services -- most individual health care professionals, such as  
2 physicians, psychiatrists, psychologists, and advanced practice  
3 registered nurses, are not. Lesser reimbursements contribute to  
4 the challenges providers face in sustaining practices, leading  
5 some health care providers to limit or refuse to accept medicaid  
6 patients. Investing in medicaid by matching reimbursement  
7 levels to those of medicare would allow more health care  
8 providers to accept medicaid patients, improving access to care.

9 Therefore, the purpose of this Act is to appropriate funds  
10 to increase medicaid reimbursements to eligible health care  
11 professionals to match the current medicare fee schedule.

12 SECTION 2. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$30,000,000 or so  
14 much thereof as may be necessary for fiscal year 2023-2024 and  
15 the same sum or so much thereof as may be necessary for fiscal  
16 year 2024-2025 to increase medicaid payments to eligible health  
17 care professionals in the State up to one hundred per cent of  
18 the current medicare rates.

19 The sums appropriated shall be expended by the department  
20 of human services for the purposes of this Act.



1 SECTION 3. The appropriations made by this Act shall not  
2 lapse at the end of the fiscal year for which the appropriation  
3 is made; provided that all moneys from the appropriation  
4 unencumbered as of June 30, 2025, shall lapse as of that date.

5 SECTION 4. This Act shall take effect on July 1, 2023.  
6

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "John A. ...", written over a horizontal line.

JAN 25 2023



# H.B. NO. 1367

**Report Title:**

Medicaid; Reimbursements; Medicare; Appropriation

**Description:**

Appropriates funds to increase Medicaid payments to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

