

STAND. COM. REP. NO.

259

Honolulu, Hawaii

FEB 10 , 2025

RE: H.B. No. 713
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Human Services & Homelessness, to which was referred H.B. No. 713 entitled:

"A BILL FOR AN ACT RELATING TO A RATE STUDY FOR HOME HEALTH SERVICES,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds for the Department of Human Services to conduct a rate study for Medicaid home health services in Hawaii.

Your Committee received testimony in support of this measure from the Healthcare Association of Hawaii and one individual. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that home health services play a critical role in the health care system by providing skilled care, such as physical therapy, wound care, and chronic condition management, to homebound individuals who require medical support but do not need hospitalization. However, federal Medicare cuts and Medicaid payment shortfalls have led to financial losses for home health agencies, resulting in a reduction in the proportion of Medicaid patients they serve. Additionally, rising labor costs and a thirty-nine percent vacancy rate for health care positions in home health settings make it difficult to recruit and retain

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qualified providers. Therefore, this measure provides funding for the Department of Human Services to conduct a Medicaid home health services rate study, ensuring informed decision-making to support the future sustainability of home health care in the State.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Specifying that the appropriation shall be for only fiscal year 2025-2026, as the rate study proposed by this measure can be completed within one fiscal year;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully respects your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$250,000, as the cost of the study will be \$500,000, with fifty percent of that cost to be covered by federal funds.

As affirmed by the record of votes of the members of your Committee on Human Services & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 713, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 713, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services &
Homelessness,



LISA MARTEN, Chair



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Bill/Resolution No.: HB 713		Committee Referral: HSH, FIN		Date: 2/11/2025	
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.					
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)					
HSH Members		Ayes	Ayes (WR)	Nays	Excused
1. MARTEN, Lisa (C)		X			
2. OLDS, Ikaika (VC)		X			
3. AMATO, Terez		X			
4. CHUN, Cory M.		X			
5. KEOHOKAPU-LEE LOY, Sue L.		X			
6. TAKAYAMA, Gregg		X			
7. TAKENOUCHI, Jenna		X			
8. ALCOS III, David		X			
9. GARCIA, Diamond		X			
TOTAL (9)		9			
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)					
Vice Chair's or designee's signature: _____					
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO					