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Honolulu, Hawaii

April 27

, 2007

RE:

S.B. No. 1672

S.D. 2

H.D. 3

C.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1672, S.D. 2, H.D. 3, entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to ensure that Hawaii's residents have continued access to health care by increasing the Medicaid fee schedule and appropriating funds to meet the increase.

Your Committee on Conference finds that it is in the public interest to ensure accessibility to healthcare for Hawaii's Medicaid recipients. Your Committee on Conference further finds that the rising costs of health care and the resulting inadequacy of payment and reimbursement from Medicaid has severely impacted the services Hawaii's physicians have been able to provide.

Your Committee on Conference amended this measure to:



- (1) Omit the proposed amendment to the Medicaid fee schedule in the Hawaii Revised Statutes;
- (2) Make an appropriation in the amount of \$8,000,000 for each year of the 2007-2009 fiscal biennium to increase payments for physicians' services up to 100 per cent of the current Medicaid rate;
- (3) Require the Department of Human Services to include a sum at least equal to \$8,000,000 in addition to its baseline Medicaid request and to report the amount to be requested no later than twenty days before the convening of the 2008 Regular Session;
- (4) Require the Department of Human Services to report to the Legislature no later than twenty days before the convening of the 2008 Regular Session with the financial amounts necessary to continue the increased payments for physicians services and to increase payments to all Medicaid fee-for-service and QUEST providers up to 100 per cent of the current Medicaid rate;
- (5) Take effect on July 1, 2007; and
- (6) Make technical, nonsubstantive changes for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1672, S.D. 2, H.D. 3, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1672, S.D. 2, H.D. 3, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

MAILE SHIMABUKURO, Co-Chair

JOSHUA B. GREEN, M.D., Co-Chair

POSALVN H RAKER CO-Chair

TOMMY WATERS. Co-Chalir

MARCUS R. OSHIRO, Co-Chair

## Hawaii State Legislature

## Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.:  SB 1672, SD 2, HD 3					Date/Time: 4/27/07 8:40p.m.				
The recommendation of the Hou	se and	Senate	mana	agers					
The Committee is reconsidering									-
The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	Α,	WR	N	E	House Managers	A	WR	N	Е
CHUN OAKLAND, Suzanne, Chr.					SHIMABUKURO, Maile S. L., Co-Chr.	V			
BAKER, Rosalyn H., Co-Chr.	<b>V</b>				GREEN, Josh, M.D., Co-Chr.	<b>V</b>			
HEMMINGS, Fred				V	WATERS, Tommy, Co-Chr.	<b>V</b>			
					OSHIRO, Marcus R., Co-Chr.	V			
					WARD, Gene, Ph.D.	V			
TOTAL	2	0	0	)	TOTAL	5	0	0	0
<b>A</b> = Aye <b>W</b>	$\mathbf{R} = \mathbf{A}\mathbf{y}$	e with	Reser	vation	s <b>N</b> = Nay <b>E</b>	= Exc	used		
Senate Recommendation is:					House Recommendation is:				
Adopted  Not Adopted					Adopted Not Adopted				
Senate Lead Chair's or Designee's Signature:  The Company Comp					House Lead Chair's or Designee's Signature:				
Distribution: Original File with Conference Committee Report Hou					Yellow Pink Goldenrod use Clerk's Office Senate Clerk's Office Drafting Agency				