

Honolulu, Hawaii

MAR 1 7 2008 RE: H.B. No. 2795 H.D. 1 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

Madam:

Your Committees on Health and Human Services and Public Housing, to which was referred H.B. No. 2795, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

beg leave to report as follows:

The purpose of this measure is to ensure that the community health center system remains financially viable and stable in the face of the increasing needs of the population of uninsured and underinsured residents.

Specifically, this measure establishes a process that enables community health centers and rural health clinics to receive supplemental Medicaid payments and seek modifications to their scope of services. In addition, this measure appropriates funds to adequately pay federally qualified community health centers for services for the uninsured.

Your Committees received testimony in support of this measure from Hawaii Primary Care Association; Waianae Coast Comprehensive Health Center; Waimanalo Health Center; Kalihi-Palama Health Center; Waikiki Health Center; West Hawaii Community Health Center, Inc.; Hamakua Health Center, Inc.; Molokai Community Health Center; Kokua Kalihi Valley; and Bay Clinic, Inc. The Department of Health submitted comments on this measure.

Your Committees find that federally qualified health centers and rural health clinics are essential components of Hawaii's



STAND. COM. REP. NO. 2962

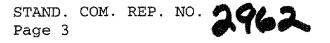
health care system. Two of the most important sources of operating revenues for these community health centers are the Med-QUEST program and subsidies for care for the uninsured. These revenue sources continue to provide inadequate funding and reimbursements that are more than a year overdue, causing the much needed community health centers to be financially unstable and putting the public's health at risk.

Your Committees amended this measure by:

- Deleting its contents and inserting language that will make the State federally compliant with all established deadlines;
- (2) Inserting language that simplifies the process by which federally qualified health centers and rural health clinics receive supplemental Medicaid payments and authorizes the prospective payment system rates to be adjusted for changes in the scope of services furnished by participating federally qualified health centers and rural health clinics;
- (3) Inserting language that permits federally qualified health centers to bill for prenatal services;
- (4) Inserting an appropriation of an unspecified amount for the Department of Health to pay for direct medical services to the uninsured; and
- (5) Making technical, nonsubstantive changes for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Health and Human Services and Public Housing that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2795, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2795, H.D. 1, S.D. 1, and be referred to the Committee on Ways and Means.

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Respectfully submitted on behalf of the members of the Committees on Health and Human Services and Public Housing,

SUZANNE CHUN OAKLAND, Chair

DAVID

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The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Health HTH

Bill / Resolution No.:*	Committee Referral:			Date:					
HB 2795 HD1	HTH/HSP, WAM				3/12/08				
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (W	R)	Nay	Excused			
IGE, David Y. (C)		V							
FUKUNAGA, Carol (VC)		1							
BAKER, Rosalyn H.		~							
MENOR, Ron						V			
WHALEN, Paul						~			
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TOTAL		3				2			
Recommendation: Adopted 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

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Human Services and Public Housing HSP

HB 2795HD2 HTTH/HGP, WAM 3/12/08									
The committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended V Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members	Ау	e Aye	WR) Na	ay Excused					
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IHARA, Jr., Les (VC)	1	_							
HOOSER, Gary L.	<u> </u>	/							
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TOTAL	4	~	-						
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature: V Sakamfu									
Distribution: Original / Yellow Pink File with Committee Report Clerk's Office Drafting Agency									

*Only one measure per Record of Votes