STAND. COM. REP. NO. 773

Honolulu, Hawaii

MAR 0 2 2007

RE: S.B. No. 973

S.D. 2

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

## Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 973, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC HEALTH,"

begs leave to report as follows:

The purpose of this measure is to ensure that the community health care system remains financially viable in the face of growth in the populations of the uninsured and underinsured.

## Specifically, this measure:

- (1) Establishes a process by which federally qualified health centers and rural health centers receive supplemental Medicaid payments;
- (2) Provides for prospective payment system rates to be adjusted for any adjustment in the scope of services; and
- (3) Appropriates an unspecified amount for federally qualified health centers and rural health centers to provide health care services to uninsured residents of Hawaii.

This measure takes effect on July 1, 2020.

Your Committee received comments in support of this measure from the Hawaii Primary Care Association, Executive Director and

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board members of West Hawaii Community Health Center, Community Clinic of Maui, Hamakua Health Center, Executive Director and Chairperson of the Board of Kalihi-Palama Health Center, Kokua Kalihi Valley, Executive Director and a board member of the Waikiki Health Center, and Healthcare Association of Hawaii. The Department of Health offered comments.

Your Committee believes that this measure will enable community health centers and rural health centers to continue to provide health care services to Hawaii's uninsured and underinsured.

Your Committee notes that the proposed amendments contained in this measure are not guaranteed to receive approval from the Centers for Medicare and Medicaid Services, and if provisions are determined to be inconsistent with the policy of the Centers for Medicare and Medicaid Services, they will not qualify for federal matching funds.

Your Committee has amended this measure by:

- (1) Inserting a provision at the end of section 3 to specify that the Department of Human Services shall not be required to reimburse services that do not qualify for Medicare matching funds or reimbursement; and
- (2) Making technical amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 973, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 973, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN (). BAKÈR, Chair

## The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral: Date:				
SB 973 SDI	HTH/HSP, WAM 2/26/07			07	
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 (WR)	Nay	Excused
BAKER, Rosalyn H. (C)					
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne					
ENGLISH, J. Kalani					
FUKUNAGA, Carol					
HOOSER, Gary L.		/			
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					
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TOTAL					
Recommendation:	Adopted Not Adopted				
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency					

\*Only one measure per Record of Votes