STAND. COM. REP. NO.

1304

Honolulu, Hawaii

APR 0.9 2009

RE:

H.B. No. 1525

H.D. 1 S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 1525, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose of this measure is to require all Medicaid health care insurance contracts to be awarded only to nonprofit and for-profit entities that comply with annual reporting requirements.

Specifically, this measure requires potential nonprofit and for-profit bidders for contracts to propose certified audit reports that must be submitted to the Department, the Insurance Commissioner, and the Legislature and be accessible to public. The report must include items such as percentages of revenue paid for medical services and administrative costs, held in reserves, and paid to shareholders. The report must also include the number of employees and their pay, contracts outside the State, and a description of any civil or criminal proceedings brought against the bidder.

Your Committee received one written comment on this measure. The written comment may be reviewed on the Legislature's website.

Your Committee finds that the disclosures required by this measure will help improve access to and the delivery of affordable, quality health care services to consumers.

HB1525 SD2 SSCR LRB 09-3471.doc

Upon further consideration, your Committee has amended this measure by making technical amendments for the purposes of clarity and consistency.

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 H.B. No. 1525, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1525, H.D. 1, S.D. 2.

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

DONNA MERCADO KIM, Chair

The Senate Twenty-Fifth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:* HB 1525 HD1 SD1	Committee Referral:		Date: APRIL 6 2009	
- 1323 (181 - E)	() (1)	VIII	HC VZ	40 1
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
KIM, Donna Mercado (C)				
TSUTSUI, Shan S. (VC)	1			
CHUN OAKLAND, Suzanne		<u></u>		
ENGLISH, J. Kalani				
FUKUNAGA, Carol				
GALUTERIA, Brickwood				
HEE, Clayton				
HOOSER, Gary L.				
KIDANI, Michelle N.		OUL COMMON CONTROL OF THE CONTROL OF		
KOKUBUN, Russell S.				
TOKUDA, Jill N.				enance of the second se
HEMMINGS, Fred				
TOTAL			1 :	
Recommendation:				
✓ 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