STAND. COM. REP. NO. 814

Honolulu, Hawaii

MAR 0 6 2009

S.B. No. 417 RE: S.D. 1

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 S.B. No. 417 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

begs leave to report as follows:

The purpose of this measure is to establish reimbursement guidelines for medicaid to hospitals and facilities with long-term care beds.

Specifically, this measure:

- (1)Requires that medicaid reimbursements to facilities with long-term care beds for patients with medically complex conditions who, prior to admission to the facility were receiving acute care services in an acute care hospital, shall be equal to the state reimbursement rate for subacute care;
- (2)Requires that the medicaid reimbursement rate to hospitals for patients occupying acute-licensed beds and waitlisted for long-term care shall be equal to the acute medical services payment rate; and
- (3) Appropriates \$6,200,000 out of the general revenues to fund increased medicaid reimbursements.



STAND. COM. REP. NO. Page 2

814

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

Your Committee believes that this measure will provide fair compensation to acute care hospitals and to long-term care facilities.

Your Committee has amended this measure by:

- (1) Changing the appropriated amount to an unspecified amount; and
- (2) Changing the effective date to July 1, 2050, to facilitate further discussion.

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. 417, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 417, S.D. 1.

> 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.:* | Committee Referral: Date: | | | | |
|--|--|----------|---------------------------------|---|-----------------------|
| SB 417 | HMS/ | HH , W. | AM M | ar 3 | 2009 |
| 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 | | | | | |
| ENGLISH, J. Kalani | | | | | 1 |
| FUKUNAGA, Carol | | 1 | | | |
| GALUTERIA, Brickwood | | 1 | | | |
| HEE, Clayton | | | | | |
| HOOSER, Gary L. | | 1 | | | |
| KIDANI, Michelle N. | | | | | |
| KOKUBUN, Russell S. | | 1 | | | |
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| HEMMINGS, Fred | | | | | 1 |
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| TOTAL | | 9 | | | 3 |
| Recommendation: | | | | | |
| Chair's or Designee's Signature: | | | | | |
| 5 | | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | | |
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*Only one measure per Record of Votes