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February 5, 2009

**LATE  
Testimony**

MEMORANDUM

TO: Honorable John M. Mizuno, Chair  
House Committee on Human Services  
  
Honorable Ryan I. Yamane, Chair  
Senate Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 703 – RELATING TO HEALTH**

Hearing: Thursday, February 05, 2009 10:30 a.m.  
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to appropriate funds for the State's portion of the Federal disproportionate share hospital allowance.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill, but respectfully opposes this measure as its appropriation of substantial additional general funds will impact or replace the priorities in the Executive Biennium Budget.

Disproportionate share hospital (DSH) payment is intended to help offset some of the cost of uncompensated care delivered by hospitals. Unlike other provider types, hospitals have no theoretic floor to their losses since they care for anyone who enters their emergency rooms.



To: House Committee on Human Services  
Rep. John Mizuno, Chair  
Rep. Tom Brower, Vice-Chair

House Committee on Health  
Rep. Ryan Yamane, M.D., Chair  
Rep. Scott Nishimoto, Vice-Chair

**LATE  
Testimony**

Date: February 05, 2009 - Conference Room 329 – 10:30 am

Re: **HB 703, RELATING TO HEALTH**

Chairs Mizuno and Yamane and members of the committees:

My name is Barbara Kim Stanton, State Director of AARP Hawaii. AARP is a membership organization of people 50 and older with nearly 160,000 members in Hawaii. We are committed to championing access to affordable, quality health care for all generations, providing the tools needed to save for retirement, and serving as a reliable information source on issues critical to Americans age 50+.

AARP strongly supports HB 703. Its purpose is to maximize the availability of the federal disproportionate share hospital allowance to the State.

More than one fifth (21.2%) of Hawaii adults aged 60 and older have an income below 200% of the poverty threshold. Hawaii's low-income elderly are disproportionately affected by the rising cost of health care and other daily expenses.

We are grateful to Hawaii's congressional delegation in securing these federal funds. This enables the State to increase the total amount of funding for Hawai'i hospitals to serve persons who are indigent. The availability of these funds is more critical than ever in light of the State's fiscal crisis. We strongly support preservation of the health care safety net for Hawaii's most needy.

Thank you for the opportunity to testify in support of this bill.