STAND. COM. REP. NO.

Honolulu, Hawaii MAR 0 4 2011 RE: S.B. No. 425 S.D. 3

Honorable Shan S. Tsutsui President of the Senate Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 425, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce the incidence of chronic illness and foster preventative and proactive patient behavior by establishing a wellness pilot program within Medicaid. This measure also authorizes establishment of the Joint Legislative Task Force on Medicaid to examine issues related to Medicaid shortfalls.

Your Committee received written comments in support of this measure from one individual.

Your Committee received comments on this measure from the Hawaii Medical Association; and the Ohana Health Plan.

Your Committee finds that federal legislation has shifted the focus of healthcare from treatment to prevention, and Hawaii must comply with federal health care reform legislation requirements by 2014. The establishment of the wellness pilot program would bring Hawaii into compliance with some of the federal health care reform requirements. Further, your Committee finds that QUEST faced an extensive budgetary shortfall last legislative session and the Joint Legislative Task Force on Medicaid would identify the reasons for, and offer resolutions to, recent Medicaid shortfalls.



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Your Committee has amended this measure by:

- Changing the reference from "committee on human services" to "standing committees that have jurisdiction over human services" to address potential changes of names and subject matters of legislative committees;
- (2) Inviting, rather than requiring, specific private entities to serve on the task force;
- (3) Deleting representatives from the Avalon Health Care Group and the YMCA of Honolulu from the task force membership;
- (4) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (5) Making technical, nonsubstantive 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 S.B. No. 425, S.D. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 425, S.D. 3.

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

Arid Male



## The Senate Twenty-Sixth Legislature State of Hawaiʻi

## Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:	
SB 425 SD2	HUS/HTH, WAM			3-1-11	
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
IGE, David Y. (C)			· .		
KIDANI, Michelle N. (VC)		1			
CHUN OAKLAND, Suzanne		/			,
DELA CRUZ, Donovan M.		~ ~ .			
ENGLISH, J. Kalani		1.			
ESPERO, Will					
FUKUNAGA, Carol		<u> </u>			
KIM, Donna Mercado					$\mathcal{L}$
KAHELE, Gilbert		<b>^</b>			
KOUCHI, Ronald D.		Ζ,			
RYAN, Pohai	S. T. M			A. Marine	······································
TOKUDA, JIII N.					
WAKAI, Glenn	The second s			and a state of a state	national distance
SLOM, Sam	A Contract of the second secon				
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TOTAL		11	О	D	3
Recommendation:					
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