JAN 2 5 2012

## A BILL FOR AN ACT

RELATING TO MEDICAID.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that the term "medical
- 2 institution" can be vague. This is to clarify that a medical
- 3 institution is any facility that includes the practice of
- 4 medicine and also provides long-term care services at a nursing
- 5 facility level of care.
- 6 The purpose of this Act is to define the term "medical
- 7 institution" as being an institution created for the practice of
- 8 medicine and also provides long-term care services at a nursing
- 9 facility level of care.
- 10 SECTION 2. Section 346-1, Hawaii Revised Statutes, is
- 11 amended by adding a new definition to be appropriately inserted
- 12 and to read as follows:
- ""Medical institution" means, for the purposes of dealing
- 14 with Medicaid liens in this chapter, an institution created for
- 15 the practice of medicine and also provides long-term care
- 16 services at a nursing facility level of care."
- 17 SECTION 3. New statutory material is underscored.

# S.B. NO. 2712

1	SECTION 4.	This Act shall take effect upon its approval.
2		
3		INTRODUCED BY:
4		BY REQUEST
5		
6		

# S.B. NO. 2712

### Report Title:

Medicaid; Reimbursements

#### Description:

Amends section 346-1, Hawaii Revised Statutes, to define the term "medical institution" as being an institution created for the practice of medicine and for caring for patients on a long-term basis.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

#### JUSTIFICATION SHEET

DEPARTMENT:

Attorney General

TITLE:

A BILL FOR AN ACT RELATING TO MEDICAID.

PURPOSE:

The purpose of this Act is to define the term "medical institution" as being an institution created for the practice of medicine and for caring for patients on a

long-term basis.

MEANS:

Amend section 346-1, Hawaii Revised

Statutes.

JUSTIFICATION:

The term "medical institution" can be vague. This is to clarify that a medical institution is any facility that engages in the practice of medicine and also provides long-term care services at a nursing facility level of care. Section 346-29.5, Hawaii Revised Statutes, allows Medicaid liens to be placed on the real property of Medicaid recipients who are in a "medical institution." A definition would help to distinguish what types of institutions would fall within the statute in order to determine whether or not a lien may be properly placed on the recipient's real property.

Impact on the public: There will be an impact on the Medicaid recipient who owns real property and becomes institutionalized in a "medical institution" because a Medicaid lien will be placed on the real property.

Impact on the department and other agencies: This amendment will assist the Department of Human Services in its collections of reimbursements for its Medicaid liens by clarifying when a lien may be placed on the real property of a Medicaid recipient who

becomes an inpatient at a "medical

institution."

GENERAL FUND:

None.

OTHER FUNDS:

None.

PPBS PROGRAM

DESIGNATION:

None.

OTHER AFFECTED

AGENCIES:

None.

EFFECTIVE DATE:

Upon approval.