STAND. COM. REP. NO. 1638

Honolulu, Hawaii

APR 2 3 2013

RE: H.C.R. No. 184

Honorable Donna Mercado Kim President of the Senate Twenty-Seventh State Legislature Regular Session of 2013 State of Hawaii

#### Madam:

Your Committees on Human Services and Ways and Means, to which was referred H.C.R. No. 184 entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT A COMPREHENSIVE FINANCIAL AUDIT OF THE DEPARTMENT OF HUMAN SERVICES MED-QUEST DIVISION, WITH EMPHASIS ON THE MEDICAID PROGRAM,"

beg leave to report as follows:

The purpose and intent of this measure is to request the Auditor to conduct a comprehensive financial audit of the Department of Human Services Med-QUEST division, with emphasis on the Medicaid Program.

Your Committees received comments on this measure from the Department of Human Services.

Your Committees find that Medicaid is the most costly program within the Department of Human Services, currently covering the healthcare needs of twenty-three percent of Hawaii's residents, which translates to approximately one in four individuals. Medicaid cost management and savings processes should accompany requests for increased budget requests; however, a lack of management processes, accurate systems of accounting, and internal controls have put Medicaid on an unsustainable track. A current audit of the Med-QUEST Division's financial processes is needed in light of the projected growth and expansive budget requests for the Medicaid Program.

As affirmed by the records of votes of the members of your Committees on Human Services and Ways and Means that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 184, and recommend its adoption.

Respectfully submitted on behalf of the members of the Committees on Human Services and Ways and Means,

DAVID Y. LGE, Chair

Maune Chun Oakland, Chair

#### The Senate Twenty-Seventh Legislature State of Hawai'i

# Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee	Da	Date:					
HCR 184	HMS/	· .	4/19/13					
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			
CHUN OAKLAND, Suzanne (C)		X						
GREEN, Josh (VC)					\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \			
KIDANI, Michelle N.	X							
TANIGUCHI, Brian T.		X						
SLOM, Sam	_							
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Recommendation Adopted Not Adopted								
Chair's or Designee's Signature:								
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\*Only one measure per Record of Votes

### The Senate Twenty-Seventh Legislature State of Hawai'i

# Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:			Date:					
HCR 184	HMS/U	VAM		4-19-13					
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	J.796	Aye	Aye (WR)	Nay	Excused				
IGE, David Y. (C)		V							
KIDANI, Michelle N. (VC)		V							
CHUN OAKLAND, Suzanne		V							
DELA CRUZ, Donovan M.		V							
ENGLISH, J. Kalani					V				
ESPERO, Will		V	-						
KAHELE, Gilbert		V							
KEITH-AGARAN, Gilbert S.C.					-				
KOUCHI, Ronald D.									
RUDERMAN, Russell E.		· V							
THIELEN, Laura H.		<u> </u>							
TOKUDA, Jill N.	,	~							
SLOM, Sam		<b>V</b>							
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Recommendation:  Adopted  Not Adopted									
Chair's or Designee's Signature:									
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Revised: 11/19/12

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