Honolulu, Hawaii

FEB 0 7 2013

RE: S.B. No. 1102

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

Madam:

Your Committee on Human Services, to which was referred S.B. No. 1102 entitled:

"A BILL FOR AN ACT MAKING AN EMERGENCY APPROPRIATION TO THE DEPARTMENT OF HUMAN SERVICES FROM THE HOSPITAL SUSTAINABILITY PROGRAM SPECIAL FUND,"

begs leave to report as follows:

The purpose and intent of this measure is to make an emergency appropriation of \$43,000,000 for fiscal year 2012-2013 out of the hospital sustainability program special fund to be used in accordance with the purposes of the hospital sustainability program special fund, including the reimbursement of monies advanced in fiscal year 2012-2013 from the health care payments program.

Your Committee received testimony in support of this measure from the Department of Human Services.

Your Committee finds that the hospital sustainability program was established through Act 217, Session Laws of Hawaii 2012. The program allows the Department of Human Services to assess fees on hospitals and utilize the monies received to draw down federal dollars for supplemental payments to hospitals in order to help offset their uncompensated care.

Your Committee further finds that the Department of Human Services has used monies out of Medicaid's health care payments program to make the supplemental payments so that payments to the private hospitals would not be delayed. Without the authorization

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to expend monies out of the hospital sustainability program special fund, the Department Human Services will not be able to continue making supplemental payments to hospitals and will face a shortfall for the monies it advanced in good faith and in the spirit of the intent of Act 217, Session Laws of Hawaii 2012.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1102 and recommends that it pass Second Reading and be referred to the Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Human Services,

SUZANNE CHUN OAKLAND, Chair

The Senate Twenty-Seventh Legislature State of Hawaiʻi

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral:		Da	Date: 2/5/13	
SB 1102	HMS,WAM			215/	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)		/			
GREEN, Josh (VC)					
KIDANI, Michelle N.					
TANIGUCHI, Brian T.					
SLOM, Sam					
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TOTAL		3	8	0	~
Recommendation: Adopted Not Adopted					
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