

Honolulu, Hawaii

MAR 24 2015

RE: H.B. No. 583
H.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Human Services and Housing, to which was referred H.B. No. 583, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES,"

begs leave to report as follows:

The purpose and intent of this measure is to require the Department of Human Services to annually increase long-term care facilities' payment rates by applying a federally approved inflation factor to the provider's historical costs or basic prospective payment system rates.

Your Committee received testimony in support of this measure from the Hawaii Health Systems Corporation, Healthcare Association of Hawaii, Ohana Pacific Management Company, The Queen's Health Systems, Hale Makua Health Services, and five individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that it is critical to close the gap between long-term care facilities' costs and reimbursements for care of Medicaid patients so that all of Hawaii's residents have access to quality health care. Your Committee further finds that the gap between costs and reimbursements has widened significantly in recent years because seventy percent of long-term care facility patients are covered by the state Medicaid program, yet there has been no inflationary update to long-term care facilities' Medicaid reimbursement rates for many years.



As affirmed by the record of votes of the members of your Committee on Human Services and Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 583, H.D. 1, 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 and
Housing,



SUZANNE CHUN OAKLAND, Chair



The Senate
Twenty-Eighth Legislature
State of Hawai'i

Record of Votes
Committee on Human Services and Housing
HSH

Bill / Resolution No.:* HB 583, HD1	Committee Referral: HSH, WAM	Date: 3/19/15																		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____																				
The Recommendation is:																				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313																				
Members	Aye	Aye (WR)	Nay	Excused																
CHUN OAKLAND, Suzanne (C)	X																			
GREEN, Josh (VC)				X																
HARIMOTO, Breene	X																			
RIVIERE, Gil	X			X																
SLOM, Sam				X																
TOTAL	3	0	0	2																
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted																				
Chair's or Designee's Signature:																				
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*Only one measure per Record of Votes