

Honolulu, Hawaii

FEB 0 6 2017

RE: S.B. No. 285 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Twenty-Ninth State Legislature Regular Session of 2017 State of Hawaii

Sir:

Your Committees on Human Services and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 285 entitled:

"A BILL FOR AN ACT RELATING TO THE NURSING FACILITY SUSTAINABILITY PROGRAM,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Continue the nursing facility sustainability program for one year; and
- (2) Appropriate funds out of the nursing facility sustainability program special fund for fiscal year 2017-2018.

Your Committees received testimony in support of this measure from the Department of Human Services, Hawaii Health Systems Corporation, East Hawaii Region of the Hawaii Health Systems Corporation, Chamber of Commerce Hawaii, The Queen's Health Systems, Healthcare Association of Hawaii, Hawaii Pacific Health, and one individual.

Your Committees find that nursing facilities in the State face major financial challenges in providing quality long-term care for Hawaii residents. As a result, the Legislature created the nursing facility sustainability program to increase Medicaid payments to nursing facilities in recognition that Medicaid

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payments to nursing facilities are below the actual costs of care. The additional federal funds obtained via the fee program authorized by the nursing facility sustainability program have helped to reduce the amount of losses incurred by long-term care facilities and maintain access to care for Medicaid recipients. Because the majority of residents in Hawaii's nursing facilities are Medicaid enrollees, the nursing facility sustainability program ensures that they have access to quality care.

Your Committees have amended this measure by:

- (1) Extending the nursing facility sustainability program until June 30, 2019;
- (2) Inserting language that appropriates funds out of the nursing facility sustainability program special fund for fiscal year 2018-2019; and
- (3) Making a technical, nonsubstantive amendment for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 285, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 285, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Human Services and Commerce, Consumer Protection, and Health,

ROSALYN HO BAKER, Chair

JOSH GREEN, Chair

The Senate Twenty-Ninth Legislature State of Hawaiʻi

Record of Votes Committee on Human Services HMS

Bill / Resolution No.:*	Committee Referral: Date:								
58 285	HMS/CPH, WAM 1			1/30	130/17				
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 (W	R) N	ay Excused				
GREEN, Josh (C)									
CHANG, Stanley (VC)		المحرث							
HARIMOTO, Breene									
TOKUDA, Jill N.									
WAKAI, Glenn									
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TOTAL	_	3			2				
Recommendation:	·		<u> </u>						
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

The Senate Twenty-Ninth Legislature State of Hawai'i

Record of Votes Committee on Commerce, Consumer Protection, and Health CPH

Bill / Resolution No.:*	Committee Referral: Date:								
58285	HMS/CPH, WAM 1/30/17								
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				
BAKER, Rosalyn H. (C)	· -	V		····	*				
NISHIHARA, Clarence K. (VC)		/							
CHANG, Stanley		V		· · · · · · · · · · · · · · · · · · ·					
ESPERO, Will		V							
IHARA, Jr., Les					V				
KIDANI, Michelle N.					V				
RUDERMAN, Russell E.		L							
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TOTAL		4			\Im				
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original File with Committee Report Yellow Clerk's Office Pink Drafting Agency Goldenrod Committee File Copy									

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