

Honolulu, Hawaii

APR 22 2021

RE: S.B. No. 819
S.D. 2
H.D. 2
C.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 819, S.D. 2, H.D. 2, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Extend the Hospital Sustainability Program through June 30, 2024;
- (2) Increase the maximum fee for inpatient care services to five and one-half percent;
- (3) Reduce the amount in the hospital sustainability program special fund that may be used by the Department of Human



Services for departmental purposes from twelve percent to ten percent;

- (4) Increase the amount of time hospitals have to pay the hospital sustainability fee from thirty days to sixty days;
- (5) Increase the pool of Medicaid services that can be used for matching purposes;
- (6) Require that the aggregate net benefit for private hospitals shall not be less than the aggregate net benefit provided by the Hospital Sustainability Program for fiscal year 2021;
- (7) Define "net benefit" for purposes of the Hospital Sustainability Program; and
- (8) Appropriate an unspecified amount of monies out of the hospital sustainability program special fund for the purposes of the program.

Your Committee on Conference finds that the program has served a critical role in strengthening the health care system in Hawaii. In the nine years since its inception, the Hospital Sustainability Program has helped acute care facilities treat the most vulnerable patients in the State, especially Medicaid recipients who require hospital services. Your Conference on Committee also believes that continuing the Hospital Sustainability Program will ensure that the State's uninsured or underinsured patients continue to receive care in a timely, effective manner.

Your Committee on Conference has amended this measure by:

- (1) Deleting the definition of "net benefit";
- (2) Deleting language that would have increased the pool of Medicaid services that may have been used for matching purposes;
- (3) Deleting language that would have required that the aggregate net benefit for private hospitals shall not be less than the aggregate net benefit provided by the hospital sustainability program for fiscal year 2021;




- (4) Inserting an appropriation of \$100,000,000 out of the hospital sustainability program special fund for fiscal year 2021-2022 for purposes of the program;
- (5) Making it effective on June 29, 2021; provided that certain provisions relating to the extension of the Hospital Sustainability Program and appropriation take effect on July 1, 2021; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 819, S.D. 2, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 819, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE




RYAN I. YAMANE
Co-Chair



JOY A. SAN BUENAVENTURA
Chair



AARON LING JOHANSON
Co-Chair



JARRETT KEOHOKALOLE
Co-Chair



ADRIAN K. TAM
Co-Chair



MICHELLE N. KIDANI
Co-Chair



Hawai'i State Legislature

CCR 74

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 819, SD 2, HD 2	Date/Time: 4/21/2021 2:30 PM
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The recommendation of the House and Senate managers is to pass with amendments (CD).

The Committee is reconsidering its previous decision.

The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure

The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.

Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
SAN BUENAVENTURA, Joy A., Chr.	/				YAMANE, Ryan I., Co-Chr.	/			
KEOHOKALOLE, Jarrett, Co-Chr.	/				JOHANSON, Aaron Ling, Co-Chr.	/			
KIDANI, Michelle N., Co-Chr.				/	TAM, Adrian K., Co-Chr.	/			
					GATES, Cedric Asuega	/			
					WARD, Gene	/			
TOTAL	2			1	TOTAL	5			

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature:
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