

Honolulu, Hawaii MAR 24 , 2023

RE: S.B. No. 397 S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committees on Human Services and Health & Homelessness, to which was referred S.B. No. 397, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PROFESSIONAL MEDICAID SERVICES,"

beg leave to report as follows:

The purpose of this measure is to appropriate funds to increase Medicaid reimbursements to eligible health care professionals by up to one hundred percent of the current Medicare fee schedule rates.

Your Committees received testimony in support of this measure from the Department of Human Services, University of Hawai'i System, Hawai'i State Center for Nursing, AARP Hawai'i, AlohaCare, Hawaii Substance Abuse Coalition, Big Island Docs, Hawai'i Pacific Health, Hawai'i Public Health Institute, Kauai Community Health Alliance, Hawaii Provider Shortage Crisis Task Force, Kaiser Permanente Hawai'i, Central Oahu Speech, Hawaii Speech-Language-Hearing Association, Hawai'i Association of Professional Nurses, The Queen's Health System, Hawaii Medical Association, Hawaii Association of Health Plans, Healthcare Association of Hawaii, Hawaii Medical Service Association, Three Little Ducks Hawaii, Hawaii Independent Physicians Association, and numerous

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Your Committees find that nearly one-third of the State's residents are enrolled in Medicaid and that since the start of the COVID-19 pandemic, enrollment in Medicaid has increased by forty percent. With this significant number of residents covered by Medicaid, health care providers who care for the State's Medicaid enrollees are receiving less reimbursement than they would if the residents were covered by private health insurance. Your Committees further find that the rate increase proposed by this measure may encourage more health care providers to provide care to Medicaid recipients and would assist providers in meeting the cost of care.

Your Committees have amended this measure by:

- (1) Amending the preamble;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees respectfully request your Committee on Finance, should it deliberate on this measure, to consider an appropriation amount of \$30,000,000, which will draw down approximately \$43,000,000 in available federal matching funds.

As affirmed by the records of votes of the members of your Committees on Human Services and Health & Homelessness that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 397, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 397, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

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Respectfully submitted on behalf of the members of the Committees on Human Services and Health & Homelessness,

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DELLA AU BELATTI, Chair

JOHN M. MIZUNO, Ch lir

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## **Record of Votes of the Committee on Human Services**

Bill/Resolution No.:	Committee Referral:		Date:				
SB 397, 5D2	HUS/HLT, FIN 03.21,2023						
The committee is reconsidering its previous decision on the measure.							
The recommendation is to:     Pass, unamended (as is)    Pass, with amendments (HD)    Hold    Pass short form bill with HD to recommit for future public hearing (recommit)							
HUS Members	Ayes	Ayes (WR)	Nays	Excused			
1. MIZUNO, John M. (C)	$\vee$						
2. AMATO, Terez (VC)	V		nan any any any any any any any any any	2010-02-2010-02-2010-02-00-00-00-00-00-00-00-00-00-00-00-00			
3. BELATTI, Della Au	$\checkmark$						
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4. ILAGAN, Greggor							
5. KOBAYASHI, Bertrand		TELLE L'EXAMPLE					
5. KODATASIII, DETTAIN							
6. TAKENOUCHI, Jenna							
7. NISHIMOTO, Scott Y.				$\Diamond$			
8. GARCIA, Diamond	Υ						
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TOTAL (8)	1 7						
The recommendation is:  Adopted  Not Adopted    If joint referral,							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

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## **Record of Votes of the Committee on Health & Homelessness**

Bill/Resolution No.: 5B397, SD2	Committee Referral: HUS/HLT,FIN		Date: 3/21/23				
The committee is reconsidering its previous decision on the measure.							
The recommendation is to:     Pass, unamended (as is)    Pass, with amendments (HD)    Hold    Pass short form bill with HD to recommit for future public hearing (recommit)							
HLT Members	Ayes	Ayes (WR)	Nays	Excused			
1. BELATTI, Della Au (C)							
2. TAKENOUCHI, Jenna (VC)							
3. AMATO, Terez			7 an an 1				
4. ILAGAN, Greggor							
5. KOBAYASHI, Bertrand			AND AND AND				
6. MIZUNO, John M.							
7. NISHIMOTO, Scott Y.							
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8. GARCIA, Diamond							
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TOTAL (8)	7						
The recommendation is: Adopted D Not Adopted							
If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Commit	Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						