STAND. COM. REP. NO. 964

Honolulu, Hawaii

MAR 03 , 2023

RE: H.B. No. 1368 H.D. 1

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

Sir:

Your Committee on Finance, to which was referred H.B. No. 1368, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to preserve access to health care for Medicaid recipients and strengthen the Hospital Sustainability Program by:

- (1) Amending the definition of "private hospital";
- (2) Clarifying the uses of the Hospital Sustainability Program Special Fund;
- (3) Increasing the Hospital Sustainability Fee cap for various facilities;
- (4) Requiring the Department of Human Services to consult and negotiate with the hospital trade association in Hawaii regarding Hospital Sustainability Fee participation and rates;

- (5) Clarifying the circumstances under which the Hospital Sustainability Fee shall be discontinued and the distribution of remaining funds;
- (6) Repealing the sunset dates of Act 217, Session Laws of Hawaii 2012, and Act 123, Session Laws of Hawaii 2014, thereby making the Hospital Sustainability Program permanent and permanently exempting the Hospital Sustainability Program from the central service and administrative expenses assessments; and
- (7) Appropriating funds out of the Hospital Sustainability Program Special Fund.

Your Committee received testimony in support of this measure from the Department of Human Services, East Hawaii Region of Hawaii Health Systems Corporation, Hawaii Pacific Health, The Queen's Health System, Kaiser Permanente, and Hawaii Primary Care Association. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from the Healthcare Association of Hawaii and Palolo Chinese Home.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1368, H.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on behalf of the members of the Committee on Finance,

KYLE T. YAMASHITA, Chair

State of Hawaii House of Representatives The Thirty-second Legislature

Record of Votes of the Committee on Finance

Bill/Resolution No.: HB 1368 HD1	Committee Referral: HUS/HLT, FIN	Dat	2/24/2	₹
☐ The committee is reconsidering its previ	ous 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)				
FIN Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMASHITA, Kyle T. (C)				
2. KITAGAWA, Lisa (VC)	V			
3. AIU, Micah P.K.	V			TEED FIRE
4. CHUN, Cory M.	✓			
5. COCHRAN, Elle				
6. GARRETT, Andrew Takuya	OCCUPATION IN THE STATE OF THE	Announce of the other war plantice in U. 1987 to 1987 to 1987	ar Sections reconstituted Camp down do const	✓
7. KAHALOA, Kirstin				
8. KILA, Darius K.	V			
9. KOBAYASHI, Bertrand				The second secon
10. LAMOSAO, Rachele F.	V			
11. MORIKAWA, Dee				
12. NISHIMOTO, Scott Y.13. POEPOE, Mahina			家的是明中国中发系法建筑。	
14. TAKENOUCHI, Jenna				
15. ALCOS III, David				
16. WARD, Gene				
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TOTAL (16)	15	0	<i>D</i>	1
The recommendation is: Adopt If joint re.	•	did not suppo	ort recommendation	l .
Vice Chair's or designee's signature:	Frakritignu	~		
Distribution: Original (White) – Committee	Duplicate (Yellow) – 0	Chief Clerk's Office	Duplicate (P	ink) – HMSO