STAND. COM. REP. NO. 55

Honolulu, Hawaii

FFB 16 , 2023

RE: H.B. No. 222

H.D. 2

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

Sir:

Your Committee on Human Services, to which was referred H.B. No. 222, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose of this measure is to adjust the method by which the Department of Human Services calculates payments to providers of medical care and long-term supports and services and appropriate funds.

Your Committee received testimony in support of this measure from AARP Hawai'i, Adult Foster Homecare Association of Hawaii, United Caregivers of Hawaii, Community Homecare Association of Hawaii, Alliance of Professional Primary Care Administrators, Provider Helping Hands of Hawaii, and numerous individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that home and community-based setting providers offer cost-effective high quality services and support individuals' preferences to age in place. Your Committee further finds that the COVID-19 pandemic dramatically impacted health care and long-term care delivery systems, particularly as they relate to patient preferences, facility staffing practices, and technology utilization. This measure is intended to address

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changes in health care preferences by clarifying and adjusting the State's Medicaid fee schedule and methodology for determining rates for non-institutional long-term supports and services.

Your Committee has amended this measure by:

- (1) Adding a preamble;
- (2) Clarifying that the methodology used by the Department of Human Services in calculating each biennial budget medical care appropriation request includes payments to health maintenance organizations and prepaid health plans;
- (3) Clarifying that the annual report to the Legislature by the Department of Human Services is to be submitted when the Department reviews rates without Medicare comparisons;
- (4) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 222, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 222, H.D. 2, and be referred to your Committee on Finance.

Respectfully submitted on behalf of the members of the Committee on Human Services,

DHN M. MIZUNO🕻 Chai

State of Hawaii House of Representatives The Thirty-second Legislature

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Record of Votes of the Committee on Human Services

Bill/Resolution No.:	Committee Referral: Date:		
148 222 HOI	HUS, FIN	FIN 02.07,2023	
☐ 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)	4		
2. AMATO, Terez (VC)			
Z. AMATO, Telez (VC)			
3. BELATTI, Della Au	4		
A. HACAN Conserve			
4. ILAGAN, Greggor			
5. KOBAYASHI, Bertrand	8		
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6. TAKENOUCHI, Jenna			
7. NISHIMOTO, Scott Y.		and the state of t	
8. GARCIA, Diamond			
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TOTAL (8)	8		
The recommendation is: Adopted			
Vice Chair's or designee's signature:			
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO			