

STAND. COM. REP. NO.

1486

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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individuals. Your Committees received comments on this measure from two individuals.

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.



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



DELLA AU BELATTI, Chair



JOHN M. MIZUNO, Chair



