



STATE OF HAWAII
DEPARTMENT OF EDUCATION
KA 'OIHANA HO'ONA'AUAO
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/13/2026

Time: 01:05 PM

Location: CR 229 & Videoconference

Committee: EDU

Department: Education

Person Testifying: Keith T. Hayashi, Superintendent of Education

Title of Bill: SB3325, RELATING TO PUBLIC SCHOOL MEDICAID REIMBURSEMENTS.

Purpose of Bill: Requires the Department of Education to establish an updated plan for maximizing medicaid reimbursements for administrative and support services provided to students with special needs. Requires annual reports to the Legislature.

Department's Position:

The Hawai'i State Department of Education (Department) supports SB3352 and provides comments. SB3352 requires the Department to develop an updated plan to maximize Medicaid reimbursement for administrative and support services provided to students with special needs and to submit annual reports to the Legislature.

The Department provides services necessary to ensure students with special needs can access their education and, when allowable, seeks Medicaid reimbursement for services provided in accordance with Medicaid requirements. Consistent with this approach, the Department will develop an updated plan to improve claims for both direct and administrative services, using a compliant medical model aligned with all applicable federal and state Medicaid requirements.

To support clear and transparent reporting to the Legislature, the Department agrees with all reporting provisions of the bill except for the clarifying amendment requested below. Therefore, to ensure the annual report provides accurate and actionable information, the Department respectfully requests an amendment to page 5, section 5(b), lines 16–18, to read as follows:

(B) ~~Number of eligible administrative and support services provided, classified by complex area~~ Medicaid reimbursement amount received for direct and administrative services state-wide.

This amendment is necessary to eliminate ambiguity in the reporting requirement, align statutory language with how Medicaid service and reimbursement data are tracked, and ensure the Department can produce a meaningful annual report without mischaracterizing service delivery or funding outcomes.

Thank you for the opportunity to provide testimony on this measure.

SB-3325

Submitted on: 2/10/2026 8:22:10 PM

Testimony for EDU on 2/13/2026 1:05:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry Support

3325 SB RELATING TO PUBLIC SCHOOL MEDICAID REIMBURSEMENTS