## **ACT 308**

H.B. NO. 1600

A Bill for an Act Relating to Medical Care Payments.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Section 346-59, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Rates of payment to providers of medical care who are individual practitioners, including doctors of medicine, dentists, podiatrists, psychologists, osteopaths, optometrists, and other individuals providing services, shall be based upon the most current profile[, or adjusted profile,] available of usual and customary fees [selected by the legislature as the basis of the appropriation for such care for any fiscal year.] and the percentage of the profile in proportion to the funds appropriated by the legislature. The amounts paid shall not exceed the maximum permitted to be paid individual practitioners or other individuals under federal law and regulation and shall not exceed the reasonable charge under the medicare program, based on the same profile base year selected by the legislature for the medicaid profiles, the state limits as provided in the appropriation act, and the provider's billed amount.

The appropriation act shall indicate the [profile] <u>percentage</u> used as the basis for the appropriation of each fiscal year. If that [profile] <u>percentage</u> has been adjusted by the legislature, the legislature shall specify the extent of the adjustment in the appropriation act.

This section notwithstanding; providers shall not be reimbursed an amount less than their existing payment rates unless a reduction is specifically intended and required by law."

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect on July 1, 1988.

(Approved June 13, 1988.)