

STAND. COM. REP. NO. **2955**

Honolulu, Hawaii

**MAR 20 2014**

RE: H.B. No. 2293  
H.D. 2  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committees on Health and Human Services, to which was referred H.B. No. 2293, H.D. 2, entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Continue the hospital sustainability program by extending its sunset date to June 30, 2015; and
- (2) Make an appropriation to be used for the purposes of the hospital sustainability program.

Your Committees received testimony in support of this measure from the Department of Human Services, Hawaii Primary Care Association, Healthcare Association of Hawaii, The Queen's Health Systems, and Chamber of Commerce Hawaii. Your Committees received comments on this measure from one individual.

Recognizing that Medicaid payments to hospitals were far below the actual costs of care, the Legislature created the hospital sustainability program by enacting Act 217, Session Laws of Hawaii 2012, which increases Medicaid payments to hospitals. Your Committees find that the program achieves this by assessing a fee on hospitals, using the revenue to obtain matching federal Medicaid funds, and returning a majority of the combined amount



directly to hospitals. This measure will provide increased access to medical care and create more sustainable hospitals in Hawaii.

Your Committees have amended this measure by:

- (1) Amending section 36-27, Hawaii Revised Statutes, to exempt the hospital sustainability program special fund from the five percent deduction of special funds to be transferred to the general fund;
- (2) Amending section 36-30, Hawaii Revised Statutes, to update the reference to the laws establishing the hospital sustainability program special fund;
- (3) Inserting an appropriation amount of \$50,000,000;
- (4) Inserting an effective date of July 1, 2014, for the appropriation and June 29, 2014, for the rest of the measure; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Health and Human Services that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2293, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2293, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

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

  
SUZANNE CHUN OAKLAND, Chair

  
JOSH GREEN, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Health**  
**HTH**

Bill / Resolution No.:* <b>HB 2293 HD2</b>	Committee Referral: <b>HTH/HMS, WAM</b>	Date: <b>3-12-2014</b>
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The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310	<input type="checkbox"/> Recommit 2313
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Members	Aye	Aye (WR)	Nay	Excused
GREEN, M.D., Josh (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
CHUN OAKLAND, Suzanne	✓			
NISHIHARA, Clarence K.				✓
SLOM, Sam				✓
<b>TOTAL</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>2</b>

Recommendation:  Adopted  Not Adopted

Chair's or Designee's Signature:  


Distribution:      Original      Yellow      Pink      Goldenrod  
 File with Committee Report      Clerk's Office      Drafting Agency      Committee File Copy

\*Only one measure per Record of Votes

The Senate  
Twenty-Seventh Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Human Services**  
**HMS**

Bill / Resolution No.:* <b>HB 2293, HD2</b>	Committee Referral: <b>HTH/HMS, WAM</b>	Date: <b>3/12/14</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
CHUN OAKLAND, Suzanne (C)	✓			
GREEN, M.D., Josh (VC)	✓			
KIDANI, Michelle N.	✓			
TANIGUCHI, Brian T.				/
SLOM, Sam				/
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

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