

Honolulu, Hawaii  
February 28, 2014

RE: H.B. No. 2294  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 2294 entitled:

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

begs leave to report as follows:

The purpose of this measure is to provide Hawaii residents with increased access to long-term care and more sustainable nursing facilities by:

- (1) Exempting the Nursing Facility Sustainability Program from the central services fees assessed under section 36-27, Hawaii Revised Statutes (HRS);
- (2) Extending the Nursing Facility Sustainability Program for one year, and making corresponding amendments to the sunset of its special fund and the use of revenues to enhance the capitated rates paid to Medicaid managed care health plans; and
- (3) Appropriating funds out of the Nursing Facility Sustainability Program Special Fund to be used for the Nursing Facility Sustainability Program.

The Department of Human Services, Hawaii Health Systems Corporation Corporate Board of Directors, Healthcare Association of Hawaii, Hawaii Long Term Care Association, Hawai'i Primary Care

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Association, and The Chamber of Commerce of Hawaii supported this measure.

Your Committee has amended this bill by:

- (1) Deleting the Nursing Facility Sustainability Program Special Fund from the statutory exemption from central services fees assessed under section 36-27, HRS;
- (2) Making the appropriation in an unspecified amount;
- (3) Changing its effective date to July 1, 2030, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2294, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 2294, H.D. 1.

Respectfully submitted on  
behalf of the members of the  
Committee on Finance,

  
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SYLVIA LUKE, Chair



