

Honolulu, Hawaii

February 17, 2016

RE: H.B. No. 1943

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred H.B. No. 1943 entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE FACILITIES,"

begs leave to report as follows:

The purpose of this measure is to preserve access to health care for Medicaid recipients by providing an inflationary adjustment based on the annual inflation factor approved by the federal government in the Medicaid state plan to the methodology used to reimburse facilities for the long-term care of Medicaid recipients for fiscal year 2016-2017.

The Healthcare Association of Hawaii, Hale Makua Wailuku, Ohana Pacific Management Company, Inc., Aloha Nursing Rehab Centre, Hawaii Health Systems Corporation, Chamber of Commerce Hawaii, Hale Makua Health Services, The Queen's Health Systems, Nuuanu Hale, Palolo Chinese Home, and several individuals supported this measure. The Arc in Hawaii supported the intent of this measure. The Department of Human Services provided comments.

Your Committee has amended this measure by:

- (1) Adding a new section that appropriates funds to the Department of Human Services to provide an inflationary adjustment to a long-term care facility's provider-specific prospective payment; and
- (2) Adding a sunset date of June 30, 2017.



Should your Committee on Finance deliberate this measure further, your Committee on Human Services respectfully requests that it consider \$1,900,000 for the purpose of providing an inflation adjustment to long-term care facilities' provider-specific prospective payment rates.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1943, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1943, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Human Services,



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DEE MORIKAWA, Chair



