

STAND. COM. REP. NO. **2205**

Honolulu, Hawaii

FEB 17 2016

RE: S.B. No. 2213
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committees on Human Services and Commerce, Consumer Protection, and Health, to which was referred S.B. No. 2213 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to continue the nursing facility sustainability program for fiscal year 2016-2017.

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

Your Committees find that Medicaid patients comprise the majority of nursing facilities' patient population. In recognition of the fact that Medicaid reimbursements are below the actual costs of care, the Legislature enacted the nursing facility sustainability program in 2012 to supplement Medicaid reimbursements to long-term care facilities by assessing a fee on certain long-term care facilities, using funds from the fees to obtain additional federal monies, then distributing those monies to the long-term care facilities based on utilization of services by Medicaid patients. The nursing facility sustainability program has successfully helped Hawaii's nursing facilities offset losses, and this measure will enable the program to continue supporting the crucial services provided by these facilities.

2016-1081 SSCR SMA.doc



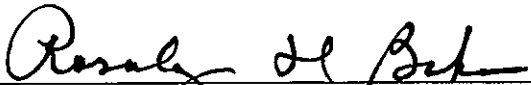
Your Committees find that sustaining nursing facilities statewide is crucial for continued access to resources needed by the residents of Hawaii. A sustainable hospital network and health care industry is vital to the health of Hawaii's residents. Your Committees also find that Medicaid payments are below the actual costs of care and the nursing facility sustainability program increases Medicaid payments to nursing facilities. The nursing facility sustainability program has helped Hawaii nursing facilities to offset some of the losses they incur taking care of the most underserved.

Your Committees have amended this measure by:

- (1) Deleting an amendment to Act 156, Session Laws of Hawaii 2012, section 5, as amended, that would have changed the repeal date of certain amendments to section 36-30(a), Hawaii Revised Statutes, to December 31, 2017; and
- (2) 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 Human Services and Commerce, Consumer Protection, and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2213, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2213, S.D. 1, and be referred to your Committee on Ways and Means.

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



ROSALYN H. BAKER, Chair




SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2213	HMS/CPH, WAM	2/5/16		
<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
BAKER, Rosalyn H. (C)	/			
KIDANI, Michelle N. (VC)	/			
ESPERO, Will				/
IHARA, Jr., Les	/			
NISHIHARA, Clarence K.				/
RUDERMAN, Russell E.				/
SLOM, Sam	/			
TOTAL	4			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> 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