



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 29, 2008

MEMORANDUM

TO: Honorable Maile S. L. Shimabukuro, Chair
House Committee on Human Services and Housing

Honorable Josh Green, M.D. Chair
House Committee on Health

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 2114 – RELATING TO HUMAN SERVICES**
Hearing: Tuesday, January 29, 2008 8:50 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to require the State Medicaid QUEST and Fee-For-Service programs to cover chiropractic care and appropriate State general funds.

DEPARTMENT'S POSITION: The Department of Human Services does not support this bill as written. The bill, as written, will statutorily require the Department to cover chiropractic services in the Medicaid QUEST and the Medicaid Fee-For-Service programs effective July 1, 2008, using State funds.

The Department would like to inform the Committee that none of the mandatory or optional Medicaid benefits in our Medicaid programs are mandated by statute as this bill proposes to do for chiropractic benefits. Therefore, in the event that allocated program

funds are insufficient to meet statewide service demands, other Medicaid services may be subject to reductions while chiropractic services must be maintained because this bill, if passed, would mandate chiropractic services.

Also, in order to receive Federal reimbursement, the Department would have to submit an amendment to the Hawaii Medicaid State Plan, which must be approved by the Federal Centers for Medicare and Medicaid Services (CMS), to add chiropractic services as a benefit.

If approval is not received from CMS, and chiropractic services are required to be provided by statute as this bill proposes, State funding will be needed to continue chiropractic services in the QUEST program as well as the Medicaid Fee-For-Service program for the aged, blind or disabled population.

While the Department appreciates the intent of this bill, we respectfully request that if passed, such funding not replace nor adversely impact the priorities in the Executive Supplemental Budget.

Thank you for the opportunity to comment on this bill.

HMSA



Blue Cross
Blue Shield
of Hawaii

An Independent Licensee of the Blue Cross and Blue Shield Association

January 29, 2008

The Honorable Josh Green, M.D., Chair
The Honorable Maile Shimabukuro, Chair

House Committees on Health and Human Services and Housing

Re: HB 2114 – Relating to Human Services

Dear Chair Green, Chair Shimabukuro and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 2114 which would expand coverage under the State's Medicaid and QUEST programs to include chiropractic services.

HMSA appreciates the intent of this measure to offer chiropractic services to the QUEST population. Language contained in the measure states that a health plan providing chiropractic services is not required to offer these benefits until the Department of Human Services appropriates additional funding to the health plans. This language is critical for QUEST plans to ensure that the cost of these services are covered by the State.

Thank you for the opportunity to provide comments on HB 2114.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Diesman".

Jennifer Diesman
Director, Government Relations