

STAND. COM. REP. NO.

724

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1344

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1344 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH CARE,"

begs leave to report as follows:

The purpose of this measure is to require the Department of Human Services to include in its request for proposals for QUEST providers various provisions to safeguard against disruption of services that may be caused by positive enrollment.

Testimony in support of this measure was submitted by AlohaCare, Hawaii Primary Care Association, Waikiki Health Center, and Waimanalo Health Center. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that the Department of Human Services' positive enrollment policy requires a QUEST recipient to reenroll in the recipient's health plan within ten days of its expiration, or the Department automatically assigns the individual to a health plan, which may or may not be the recipient's existing plan.

Your Committee has heard that these positive enrollment requirements cause confusion and delays in needed health care procedures, disrupt case management, and result in the loss of contact between QUEST recipients and their current primary care providers. Advocates of the policy, however, cite positive enrollment as a means of increasing competition among service providers, lowering the cost of healthcare overall, allowing for



new plans to enter into the market, and expanding the scope of services provided to QUEST recipients.

Your Committee finds that this measure strikes a balance between the benefits of positive enrollment and the potential adverse consequences of the policy by allowing the Department of Human Services to implement the policy with limitations.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1344 and recommends that it pass Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

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|--|--|--------------------------|----------|----------|
| Bill / Resolution No.:* SB1344 | Committee Referral: HMS/HTH, CPN | Date: 3/3/2009 | | |
| <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 checked="" type="checkbox"/> Pass, unamended 2312 <input 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) | ✓ | | | |
| IGE, David Y. (VC) | ✓ | | | |
| ESPERO, Will | ✓ | | | |
| GREEN, M.D., Josh | | | | ✓ |
| IHARA, Jr., Les | ✓ | | | |
| SAKAMOTO, Norman | ✓ | | | |
| HEMMINGS, Fred | | | ✓ | |
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| TOTAL | 5 | | 1 | 1 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">David Y. Ige</div> | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes