
A BILL FOR AN ACT

RELATING TO HEALTH CARE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the department of
2 human services has instituted a positive enrollment policy
3 whereby a QUEST recipient must reenroll in the recipient's
4 health plan within ten days. If the recipient fails to do so,
5 the department of human services automatically assigns the
6 individual to a health plan, which may or may not be the
7 recipient's existing plan.

8 The legislature further finds that these positive
9 enrollment requirements cause confusion, delay needed health
10 care procedures, disrupt case management, and result in the loss
11 of contact between QUEST recipients and their current primary
12 care providers. Further, positive enrollment incurs additional
13 costs and imposes additional administrative burdens on QUEST
14 providers and the department of human services.

15 The department of human services advocates the policy of
16 positive enrollment as a means of increasing competition among
17 service providers, lowering the cost of health care overall,



1 allowing for new plans to enter into the market, and expanding
2 the scope of services provided to QUEST recipients. The
3 legislature finds that it is important to strike a balance
4 between the benefits of positive enrollment and the potential
5 adverse consequences of the policy by allowing the department of
6 human services to implement the policy with limitations.

7 The purpose of this Act is to place limitations on the
8 department of human services positive enrollment policy to
9 minimize disruption of health care services and confusion among
10 QUEST recipients.

11 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
12 amended by adding a new section to be appropriately designated
13 and to read as follows:

14 "§346- Medicaid managed care; request for proposal
15 requirements. (a) A request for proposal issued by the
16 department for health plans to provide health care services to
17 eligible QUEST recipients shall include the following
18 provisions:

19 (1) All individuals who are existing members of QUEST
20 health plans shall be required to select a health plan
21 during an initial enrollment period that shall last
22 for a period of sixty days;



- 1 (2) In the event that QUEST recipients do not enroll
2 within the sixty-day period, the department shall:
- 3 (A) Assign a number of randomly selected QUEST
4 recipients who have not enrolled, equivalent to
5 no more than five per cent of the total number of
6 QUEST recipients, to a health plan according to
7 an automatic assignment algorithm created by the
8 department and described in the request for
9 proposal, provided that;
- 10 (i) A QUEST recipient who is automatically
11 assigned may have an additional ninety days
12 after the automatic assignment to select a
13 different health plan for any reason;
- 14 (ii) If the automatically-assigned QUEST
15 recipient mistakenly goes to a previous
16 plan's provider for an appointment, there
17 shall be no disruption in receipt of
18 service, whether or not that provider is
19 included in the new plan, and the QUEST
20 recipient shall receive treatment at that
21 time and the department shall reimburse the
22 provider; and



1 (iii) An automatically-assigned QUEST recipient
2 shall have the opportunity to opt out of the
3 health care plan to which the recipient was
4 assigned during the recipient's first visit
5 to a provider under the assigned plan,
6 regardless of the length of time between the
7 automatic assignment and the individual's
8 visit to the provider; and

9 (B) Assign QUEST recipients who have not enrolled and
10 who were not randomly selected as provided in
11 subparagraph A, if any, to the health plan in
12 which they were enrolled at the start of the
13 initial enrollment period.

14 (b) The department shall conduct a public awareness
15 campaign to educate medicaid QUEST recipients about their new
16 plan options, including a provider directory of fully contracted
17 providers in each plan to assist beneficiaries in their
18 decision-making.

19 (c) The director of human services shall adopt, amend, or
20 repeal rules, pursuant to chapter 91, to provide for the request
21 for proposal requirements included in this section."

22 SECTION 3. New statutory material is underscored.



1 SECTION 4. This Act shall take effect on January 1, 2050.



Report Title:

Medicaid; QUEST; Department of Human Services (DHS); Positive Enrollment; Request for Proposals

Description:

Requires DHS to include in its request for proposals for QUEST providers various provisions to safeguard against a disruption of services that may be caused by positive enrollment. Takes effect January 1, 2050. (HB1454 HD1)

