
A BILL FOR AN ACT

MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL FOR HAWAII QUEST.

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

1 SECTION 1. This Act is recommended by the governor for
2 immediate passage in accordance with section 9 of article VII of
3 the Constitution of the State of Hawaii.

4 SECTION 2. A critical funding emergency exists. Hawaii's
5 QUEST plan functions as a safety net for many in the community
6 who would otherwise be forced to go without medical care,
7 however, the department of human services is facing a budget
8 shortfall which will prevent payments from being made to the
9 managed care plans contracted to provide medicaid services under
10 QUEST for a period of many months. Withholding payments to
11 QUEST managed care plan providers could have an immediate and
12 catastrophic impact on those vulnerable populations who receive
13 their medical services through this public program.

14 In 1999, the legislature established the emergency and
15 budget reserve fund as a temporary supplemental source of
16 funding for the State in times of emergency, economic downturn,
17 or unforeseen reductions in revenues. As set forth in section



1 328L-3, Hawaii Revised Statutes, specific purposes for the fund
 2 include maintaining levels of programs determined to be
 3 essential to public health, safety, welfare, and education.
 4 Since the department of human services will not be able to make
 5 payments to QUEST managed care plans for an extended period,
 6 funds from the emergency budget and reserve fund should be used
 7 to maintain the health care safety net for the neediest in our
 8 community.

9 SECTION 3. There is appropriated out of the emergency and
 10 budget reserve fund the sum of \$ or so much thereof as may
 11 be necessary for fiscal year 2009-2010 to meet the general fund
 12 shortfall for payments to managed health care plans contracted
 13 by the department of human services to provide QUEST services.

14 SECTION 4. The sum appropriated shall be expended by the
 15 department of human services for the purposes of this Act.

16 SECTION 5. This Act shall take effect upon its approval.
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INTRODUCED BY: John M. P. Pano
 JAN 22 2010



Report Title:

Emergency Appropriation; QUEST Managed Care Plans

Description:

Makes an emergency appropriation from the Emergency and Budget Reserve Fund to meet the general fund shortfall for payments to managed care plans contracted with the Department of Human Services to provide QUEST services.

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