
A BILL FOR AN ACT

RELATING TO HEALTH CARE.

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

1 SECTION 1. Rural areas in Hawaii have been suffering a
2 lack of primary health care providers. These areas with high
3 concentrations of lower-income families traditionally rely on
4 community health centers for health care. Community health
5 centers also provide cultural services and integrated care,
6 including integrated behavioral health services that are vital
7 to the patient populations they serve.

8 The department of human services offers a variety of health
9 care plans for lower-income families, such as the QUEST expanded
10 access program. However, there are reports that the two health
11 plans that have been awarded contracts under the QUEST expanded
12 access programs do not have an adequate network of primary care
13 providers.

14 The purpose of this Act is to establish the medical home
15 demonstration project to ensure that the medical needs of rural
16 areas of the state are met.

17 SECTION 2. (a) There is established the medical home
18 demonstration project within the department of human services.



1 The demonstration project shall be excluded from the QUEST
2 expanded access program.

3 (b) The demonstration project shall only be available to
4 patients who select a federally qualified health center in the
5 state as their primary care provider.

6 (c) The department of human services shall contract with
7 AlohaCare or any other qualified not-for-profit health plan
8 willing to participate, to manage the care of patients under the
9 demonstration project at a capitation rate of one per cent of
10 the lowest bidder under the QUEST expanded access program.

11 (d) Contractors under the demonstration project shall
12 offer all services offered by plans under the QUEST expanded
13 access program and provide documentation to the department of
14 human services that a provider network sufficient to deliver all
15 services to the community will be in place.

16 (e) Contractors under the medical home demonstration
17 project shall provide the following medical home services:

18 (1) Community outreach;

19 (2) Job training services;

20 (3) Complete federally qualified health center enabling
21 and facilitating services; and

22 (4) Traditional Hawaiian healing services.



1 (f) The demonstration project shall include a pay for
2 performance component that includes the following:

3 (1) Beyond the basic payment mechanisms established for
4 the delivery of QUEST expanded access services, the
5 contracted provider shall set aside per cent of
6 the contracted funds for incentives for the medical
7 homes to implement electronic medical records; and

8 (2) Establishing mutually agreeable performance metrics
9 that will systematically improve the quality of care
10 delivered and that will measure the value of
11 integration care services.

12 (g) The demonstration project shall cease to exist no
13 later than June 30, 2013.

14 SECTION 3. The department of human services shall submit a
15 report to the legislature no later than twenty days prior to the
16 convening of the regular sessions of 2011, 2012, and 2013, on
17 the status, progress, and effectiveness of the medical home
18 demonstration project.

19 SECTION 4. This Act shall take effect on July 1, 2020.



Report Title:

Medical Home Demonstration Project

Description:

Establishes the Medical Home Demonstration Project to contract with interested nonprofit health plans to provide primary care to patients of federally qualified health centers within the state. Effective July 1, 2020. (HB1366 HD1)

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